

## **MINUTES**

**of the 90th Annual General Meeting of the  
Shareholders of ROCHE HOLDING LTD, Basel,  
held at 10.30 a.m. on 4 March 2008  
at the Convention Centre, Basel Trade Fair Complex, Basel**

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The Chairman of the Board, Dr Franz B. Humer, 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, William Burns, Dr Jürgen Schwiezer, Dr Erich Hunziker, Prof. Jonathan Knowles and Dr Gottlieb Keller.

Also present from the Board of Directors were: Prof. Bruno Gehrig (Independent Lead Director and Vice Chairman), André Hoffmann (Vice Chairman), Prof. Pius Baschera, Prof. John Bell, Peter Brabeck-Letmathe, Lodewijk J. R. de Vink, Walter Frey, Dr DeAnne Julius, Dr Andreas Oeri, Dr Wolfgang Ruttenstorfer, Prof. Horst Teltschik and Prof. Beatrice Weder di Mauro.

The Chairman stated that timely notice of the meeting had been given and made reference to the public notice of the meeting published on two dates, 6 and 8 February 2008, in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsblatt*) and to the announcement that had appeared in the daily newspapers and the financial press. The Chairman also noted that no proposals had been received from shareholders on inclusion of additional items on the agenda of the meeting. The Chairman then stated that Messrs John Morris and Erik Willems were present on behalf of the Statutory and Group Auditors, KPMG Klynveld Peat Marwick Goerdeler SA (KPMG). BDO Visura, the firm designated by Roche to serve as independent proxy pursuant to Art. 689c of the Swiss Code of

Obligations, was represented at the meeting by Mr Mark Schaffner.

The Chairman designated

as secretaries: René Kissling, Secretary to the Corporate Executive Committee  
(agenda items 1-3 and 5-6)

Dr Benedikt Suter, solicitor and notary, c/o Lenz, Caemmerer,  
Bender (agenda item 4)

as tellers: Hugo C. Beijerman, Managing Director, UBS Investment Bank,  
Zurich

Dieter Bloch, Head of Institutional Banking (Director), Basler  
Kantonalbank, Basel

Werner Meier, Head of Executives & Entrepreneurs (Director), UBS  
AG, Basel

Michael Meyer, Managing Director, Credit Suisse, Basel

Dr Beat Rauss, solicitor/CEO, Univest AG, Basel

Vittorio Schiro, Managing Director, UBS AG, Zurich

Donald Sulzer, Managing Director, Investment Banking  
Switzerland, Credit Suisse, Zurich

The Chairman designated Mr Hugo C. Beijerman as head teller.

The Chairman stated that the minutes of the 2007 AGM were available on the Internet and that the next year's AGM was scheduled to take place on Tuesday, 10 March 2009.

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".
- Resolutions and elections voted on at the Meeting would be carried by an absolute majority of the votes represented and were not subject to any quorum requirements.
- Elections and other votes would be conducted electronically.

Speaking of the Company's excellent business performance in 2007, the Chairman thanked all staff for their tremendous dedication and professionalism. He singled out Dr Gottlieb Keller, who was standing down as Head of Corporate Human Resources, for particular thanks. Dr Keller would remain a member of the Corporate Executive Committee, taking up the post of General Counsel in addition to his existing duties as Head of Corporate Services and Secretary to the Board of Directors. The Chairman gave a progress report on planning for the Roche office tower in Basel. He referred to the steady growth in core earnings per share, the continuous rise in the dividend in the past and the Board's intention to continue to increase the dividend payout ratio in each of the next three years. He commented on the 2007 Remuneration Report, and particularly on the performance criteria that had been laid down by the Remuneration Committee. The Chairman described in some detail the recently introduced research and development model, with its steady focus on innovation. He cited various investments that had been made in the field of personalised medicine, highlighting the Group's numerous significant acquisitions and alliances in 2007. Sustainability was an integral component of the Roche business philosophy, he said. To illustrate how successfully it was being pursued, the Chairman cited Roche's inclusion in the Dow Jones STOXX and the World Sustainability indices for the fourth consecutive year. The Chairman gave the Meeting details of changes in the composition of the Corporate Executive Committee. Dr Severin Schwan would take up the position of CEO with immediate effect, while the Chairman would concentrate on his duties as Chairman of the Board of Directors. Dr Jürgen Schwiezer had succeeded Dr Schwan as CEO of Roche Diagnostics at the beginning of 2008. As the new Head of Corporate HR, Ms Silvia Ayyoubi would be the first woman member of the Roche Corporate Executive Committee. Before proceeding to the items of business on the agenda, the Chairman introduced Dr Severin Schwan, the new CEO of the Roche Group.

In his inaugural address as the new CEO of the Roche Group, Dr Schwan first sketched his career with Roche to date before going on to emphasise that the Company's strategy must continue to focus on innovation. The Company's mission, he emphasised, had remained virtually unchanged since its inception, and the corporate spirit and inventiveness of those far-off days still shaped the Roche culture today, and indeed formed the basis for medical progress. He thanked the Oeri and Hoffmann families for

giving the Company the stability it needed to focus on the long term. Dr Schwan underscored the entrepreneurial spirit and many achievements of Dr Franz Humer, whose clear-sighted leadership had helped Roche become one of the top companies in the pharmaceutical industry. Noting that the environment for the industry had become more difficult, he emphasised that the pursuit of superior, clinically differentiated solutions for unmet healthcare needs presented both challenges and opportunities. Ultimately Roche's mission was to improve patients' quality of life and to extend their lives, he said. He highlighted Roche's investments in research and development and the pioneering work Roche had been doing for years to advance towards more personalised healthcare. Combining pharmaceuticals and diagnostics under one roof significantly facilitated progress on this front Dr Schwan stressed the differences between Roche and its competitors, touching on various aspects of the working environment that are important to fostering real innovations. He closed his inaugural address as CEO by expressing his confident belief that the Company would rise to the major challenges and opportunities ahead in the healthcare market. He emphasised what a privilege it was for him to work alongside his colleagues on the Corporate Executive Committee in leading one of the best healthcare companies in the world – if not *the* best.

Based on the attendance list, the Chairman then noted that 662 shareholders or their proxies were present, representing 143,480,308 shares or votes and thus 89.7 % of the Company's total share capital. The aforementioned shares, each with a nominal value of CHF 1.00, were represented as follows:

- Shareholders:	141,337,954 shares
- Independent proxy:	2,142,354 shares

71,740,155 votes 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.

**Agenda item 1:      **Approval of the Business Report (including the Remuneration Report), Annual Financial Statements and Consolidated Financial Statements for 2007****

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 and at banks holding deposited shares. 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 Auditors on page 123. In response to a request for comment, Messrs John Morris and Erik Willems, representing the Statutory Auditors, had already informed the Chairman that they had nothing to add to their written report. The Finance Report also includes the report of the Group Auditors, KPMG, on page 105.

The Chairman invited the shareholders to discuss the business report and the financial statements.

Ms Ursula Flury of Lucerne took the floor on behalf of ACTARES, Shareholders for a Sustainable Economy. She addressed the sale of CellCept, a medication designed to prevent the rejection of transplanted organs, in China. The Chinese authorities had admitted as long ago as 2006, she said, that 95% of organs transplanted in China came from executed prisoners. She referred to the problematic issue of prisoners' consent to the removal of organs, explaining that there was a lucrative trade in human organs in China. Roche, she said, was number one among four Western pharmaceutical companies supplying immunosuppressants to China. She highlighted the critical human rights situation in China, explaining that by selling CellCept, Roche could become an "accessory" to human rights violations. The Foreign Policy Commission of the National Council and the UN were both investigating the sale of immunosuppressants to China. She then enquired about revenues from immunosuppressants, and what proportion of total revenues for this class of drugs was accounted for by the Chinese market. She asked about the results of the dialogue between Roche and the Chinese authorities regarding compliance with international standards in transplant medicine, and enquired whether Roche would be prepared to cooperate with the UN and other human rights organisations in order to prevent violations of human rights in transplant medicine in China and elsewhere. She also asked whether Roche was prepared, together with other manufacturers of immunosuppressants, to make the sale of CellCept in China subject to conditions that would induce China to comply with international standards.

In conclusion, Ms Flury welcomed the changes to the Articles of Incorporation on behalf of ACTARES, particularly the international composition of the Board of Directors and the reduction in members' terms of office. But referring to the CHF 21 million paid as highest total remuneration, she declared that ACTARES disagreed with Roche's remuneration policy. It recommended that the two directors who were members of the Remuneration Committee and standing for re-election not be re-elected.

The Chairman stressed the sensitivity of the matters raised by Ms Flury. He began his response by emphasising that it is Roche's task to act in the interests and for the wellbeing of patients, pointing out the global importance of CellCept as a treatment to prevent organ rejection. The market for such medications was relatively small in comparison with the market as a whole, and China accounted for just 1% of the total immunosuppressant market. He stressed the progress made in the field of organ transplants in China. In 2007, at the instigation of Roche and other companies and in cooperation with them, China had enacted its first transplant legislation. This requires prisoners and/or their families to consent to an organ donation. Organs may only be made available to Chinese nationals, thus preventing any international organ trading. In addition consent decisions require court approval, and a monitoring system had been successfully implemented by the Red Cross to verify that organs are obtained ethically. Roche is currently collaborating with the Chinese government in three areas. This will involve greater efforts to persuade living relatives to donate organs, and clear rules for the removal of organs from the brain-dead (following a road accident, for example) are to be discussed with the authorities in the near future. Furthermore, the Chinese government has asked Roche for help with the introduction of a national registration system.

The Chairman stressed that Roche is ready to cooperate with international organisations, NGOs and the WHO in order to achieve further improvements. But he also emphasised that the Chinese government ought not to be pilloried, because it is equally interested in introducing a reasonable system conforming with the principles of respect for human rights. Roche will continue to be ready to work with the Chinese government, and the Chairman stated his view that it would be wrong to threaten to halt deliveries of CellCept, as the wellbeing of patients was Roche's principal concern.

The Chairman thanked ACTARES for welcoming the international composition of the Roche Board of Directors, stressing that the proportion of female directors had increased in recent years. He particularly highlighted the fact that the Corporate Executive Committee would for the first time include a woman, in the person of Ms Ayyoubi. Turning to the Remuneration Report, he confirmed the amount of his remuneration and emphasised that this was particularly due to his award from the three-year Performance Share Plan, which is based on total shareholder return, Roche's share price and dividend yields, in comparison with 20 leading pharmaceutical and diagnostic companies. In the last three years Roche had been one of the three best companies in the world. The plan had been set up six years earlier, and in view of Roche's results, the Remuneration Committee had accordingly awarded non-voting equities to members of the Corporate Executive Committee. He also stressed, however, that an evaluation of the 2006-08 and 2007-09 periods would not at present lead to any award. He emphasised that the plan was based on sound performance and success criteria, and was linked to the Company's share price and a comparison with global competitors.

Ms Eva Monecke from Saarbrücken took the floor to ask about financial provisions set aside by Roche. She said that British scientist Ashley Croft, in a paper entitled *Healthy people need safe drugs too*, had advanced the view that at least one pivotal pre-approval study for the anti-malarial drug LARIAM had not taken place. She said that as far as she was aware, neither the manufacturer nor the regulators had officially denied this assertion. Ms Monecke asked the Chairman what provisions had been made in respect of LARIAM, and what action it proposed to take in future.

The Chairman thanked Ms Monecke for her remarks and pointed out that there had in the past been legal cases relating to LARIAM – a product that had been on the market for 30 years or so. Roche was ready to meet its responsibilities, but as the Company had yet to lose a single one of these cases, it saw no need for provisions at present. The Chairman indicated that as the matter raised by the speaker was *sub judice*, he would prefer to say nothing more about it.

Mr Matthias Wüthrich of Greenpeace, Zurich, then took the floor. He said that Roche must adopt an “innovative” approach to dealing with the legacies of past

environmental sins – and that it was indeed doing just that. He welcomed the partial remediation of the Hirschacker landfill in Grenzach, which constituted a threat to drinking water, and where a hotspot would now be excavated, with advance funding from Roche. He indicated that Greenpeace welcomed the excavation of chemical waste, and, referring to an initial partial remediation that had been carried out in 1978, stressed that *all* the chemical waste should be dug up. He cautioned against attempting to solve the problem “on the cheap”. In his view, the 5 million euros provided by Roche for remediation of the landfill was not sufficient given that there were around 3,000 tonnes of chemical waste at Hirschacker. He referred to business profits, salary payments and the establishment of a 200-million-franc foundation by Novartis for the remediation of landfills in the Basel region. He also criticised the attitude of other chemical companies in the region towards financial involvement in rehabilitation work.

Mr Wüthrich stressed that although it had supplied an expert to sit on the Roche remediation committee, Greenpeace remained sceptical. It still felt that the basis on which remediation work had been planned was inadequate. Greenpeace acknowledged the openness with which Roche had taken on board suggestions from Greenpeace that the landfill should be re-examined. The results of that extended re-examination were expected in the spring. It would then become apparent how much importance Roche attached to the “permanent” remediation of the landfill. Mr Wüthrich asked the Chairman whether Roche would be prepared to conduct a total remediation of the Hirschacker landfill if the results of the re-examination showed this to be necessary. He handed the Chairman a magnifying glass as a symbolic visual and decision-making aid to ensure that no hazardous chemical waste remained in the ground and as a symbol of all the expert advice that Greenpeace had given Roche. Finally he appealed for the elimination of contamination once and for all and the setting up of permanent safeguards to protect drinking water in the Basel region.

Thanking the speaker for his remarks and his words of praise, the Chairman emphasised that Roche was conscious of its responsibilities, and that if necessary it would indeed make additional funds available for the elimination of its waste. He further explained that Roche currently had provisions of 200 million euros for environmental pollution, and that these were reviewed annually by internal and external experts.

Since there were no further questions, the Chairman called for a vote to approve the Annual Report, the Financial Statements and the Consolidated Financial Statements for 2007.

The AGM approved the Business Report, Financial Statements and Consolidated Financial Statements for 2007 by a vote of 143,231,135 in favour, 1,381 opposed and 249,562 abstentions.

**Agenda item 2:      Ratification of the Board of Directors' Actions**

The Chairman noted 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.

The Chairman invited shareholders' comments and questions on ratification of the Directors' actions. There were no requests to speak.

The AGM ratified the actions of the Board of Directors by a vote of 121,647,480 in favour, 841 opposed and 403,656 abstentions. With 122,051,977 shares entitled to vote on this item, 61,025,989 votes were required for an absolute majority.

**Agenda item 3:      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 122 of the Finance Report volume of Roche's 2007 Annual Report:

Available earnings:

Net profit for 2007	CHF 4,237,700,323
Balance brought forward from previous year	CHF <u>520,281</u>
Total available earnings	CHF 4,238,220,604

Appropriation of available earnings:

Distribution of a dividend of CHF 4.60	
gross per share and non-voting equity security	CHF 3,967,788,420
Transfer to free reserve	<u>CHF 268,600,000</u>

Total appropriation of available earnings	CHF	4,236,388,420
To be carried forward on this account	CHF	1,832,184

There were no requests to speak on this agenda item.

The motion was passed by the AGM by a vote of 143,299,181 in favour, 4,849 opposed and 178,048 abstentions.

The Chairman informed the AGM that the dividend would be payable, free of charges, from Friday 7 March 2008 on presentation of coupon # 7 at any Swiss branch of UBS AG or Credit Suisse.

#### **Agenda item 4:      **Amendment to the Articles of Incorporation****

The minutes for this item were recorded by Dr Benedikt Suter, the certifying notary public. A copy of the “Public Record, Notarised Minutes of Agenda Item 4 of the Ordinary Annual General Meeting of Roche Holding Ltd in Basel on 4 March 2008” is appended to these minutes. There were no requests to speak on this agenda item.

#### **Agenda item 5:      **Election of Directors****

The AGM marked the end of the terms of office of Prof. Bruno Gehrig, Mr Lodewijk J. R. de Vink, Mr Walter Frey and Dr Andreas Oeri as members of the Board of Directors. All four Directors were willing to stand for re-election for a term of three years (following the change in the Articles of Incorporation) and had declared in writing that they would accept office if elected. The Chairman moved on behalf of the Board of Directors that the aforementioned Directors be re-elected.

He then gave the shareholders an opportunity to comment on the election. There were no requests to speak.

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

In the first vote, the AGM elected Prof. Bruno Gehrig for a further three-year term of office

ending at the ordinary AGM in 2011 by a vote of 141,472,487 in favour with 1,759,684 opposed and 249,907 abstentions. In the second vote, the AGM elected Mr Lodewijk J. R. de Vink for a further three-year term of office ending at the ordinary AGM in 2011 by a vote of 143,040,707 in favour with 5,031 opposed and 436,340 abstentions. In the third vote, the AGM elected Mr Walter Frey for a further three-year term of office ending at the ordinary AGM in 2011 by a vote of 140,866,289 in favour with 2,151,760 opposed and 464,029 abstentions. In the final vote, the AGM elected Dr Andreas Oeri for a further three-year term of office ending at the ordinary AGM in 2011 by a vote of 143,226,844 in favour with 4,112 opposed and 251,122 abstentions.

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

**Agenda item 6: Election of the Group and Statutory Auditors**

The Chairman noted that the AGM was required to vote annually to elect Statutory Auditors and Group Auditors for the current fiscal year. The Board of Directors moved that the AGM elect KPMG Klynveld Peat Marwick Goerdeler SA as Statutory Auditors and Group Auditors for fiscal 2008. This company had previously stated in writing that it would serve in these capacities if elected.

The Chairman gave the shareholders an opportunity to comment on the election. There were no requests to speak.

The Annual General Meeting elected KPMG Klynveld Peat Marwick Goerdeler SA as Statutory Auditors and Group Auditors with 143,242,933 votes in favour, 6,963 opposed and 231,442 abstentions.

There being no further requests to speak, the Chairman thanked the shareholders for attending and closed the meeting at 12.01 p.m.

The Chairman:

The Secretary:

Sig. Dr Franz B. Humer

Sig. René Kissling

PUBLIC RECORD

**Translated from the German**

**Notarised Minutes of Agenda Item 4 of the Ordinary Annual General Meeting of Roche Holding Ltd in Basel on 4 March 2008**

I, the undersigned, Dr Benedikt Suter, Notary Public in Basel, attended the Ordinary General Meeting of

**Roche Holding Ltd**

which has its registered offices in Basel, said meeting beginning at 10:30 a.m. at the Convention Centre of the Basel Trade Fair Complex, Basel, and there took these minutes as a matter of public record of resolutions passed on agenda item 4 as it was presented by the Chairman.

The Chairman of the Board of Directors, **Dr Franz B Humer**, citizen of Küssnacht am Rigi and residing in Zollikon, personally known to me, the Notary, took the chair and made the following introductory remarks and statements.

The Chairman stated that timely notice of the General Meeting had been given and made reference to the public notice of the meeting published on two dates, 6 and 8 February 2008, in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*), and which on both dates contained the agenda, and to the announcement that had appeared in the daily newspapers and the financial press.

The Chairman designated

- a) as minutes secretaries:
  - for for agenda items 1-3, 5 and 6: Mr René Kissling, Secretary to the Corporate Executive Committee
  - for agenda item 4: Dr Benedikt Suter, Notary
  
- b) as tellers:
  - Mr Hugo C. Beijerman, Managing Director, UBS Investment Bank, Zurich (designated chief teller)
  - Mr Dieter Bloch, Director and Head of Institutional Banking, Basler Kantonalbank, Basel
  - Mr Werner Meier, Director and Head of Executives & Entrepreneurs, UBS AG, Basel
  - Mr Michael Meyer, Managing Director, Credit Suisse, Basel
  - Dr Beat Rauss, Attorney/Managing Director, Univest AG, Basel
  - Mr Vittorio Schiro, Managing Director, UBS AG, Zurich
  - Mr Donald Sulzer, Managing Director, Investment Banking Switzerland, Credit Suisse, Zurich

**The Chairman made the following statements on the voting procedure:**

- Resolutions and elections voted on at the Meeting would be carried by an absolute majority of the votes represented and were not subject to any quorum requirements.

Elections and other items of business would be voted on by electronic ballot.

Shareholders wishing to abstain in the electronic voting procedure were to press the “Abstain” button.

The Chairman then conducted a test ballot to ensure that the electronic equipment was operating correctly. This was found to be the case.

Based on the attendance list, the Chairman then noted that the composition of the Meeting was as follows:

- Shareholders/proxies present:	662
- Voting shares represented:	143,480,308
Of this total of shares represented:	
- proxies for deposited shares accounted for:	0
said shares having a total nominal value of:	CHF 0 --
- the independent proxy from BDO-Visura, Basel, Mr Mark Schaffner, accounted for:	2,142,354
said shares having a total nominal value of:	CHF 2,142,354 -
- Percentage of total share capital represented	89,7%
- Votes required for an absolute majority:	71,740,155

The Chairman also noted that no shares held by the Company itself or by its subsidiaries were represented at the meeting.

After the AGM had approved the agenda and dealt with items 1-3, it turned to item 4.

**Agenda item 4: Change to the Articles of Incorporation**

The Chairman explained that Art. 708 of the Swiss Code of Obligations, which contained provisions regarding the nationality and residence of members of the Board of Directors, had been abrogated with effect from 1 January 2008.

He then explained and moved for approval of the Board of Directors’ resolution to amend § 18 paras. 1 and 2 of the Articles of Incorporation to read as follows:

- § 18 1 The Board of Directors is made up of at least seven members.
- 2 The Chairman conducted a vote on this resolution. The result, with 143,482,078 shares entitled to vote on this item and 71,741,040 votes required for an absolute majority, was as follows:
- In favour: 142,843,736
  - Opposed: 11,207
  - Abstentions: 627,135

The Chairman declared that the changes to the Articles of Incorporation had been accepted and were now legally valid.

The AGM then proceeded to consider the other agenda items.

In witness whereof, these minutes having been read and approved by the Chairman and by me, the Notary, I hereunto set my hand and official seal.

Basel, 4 March 2008 (the fourth of March, two thousand and eight)

[[signed by Dr Franz B. Humer and Dr Benedikt Suter, Notary]]