

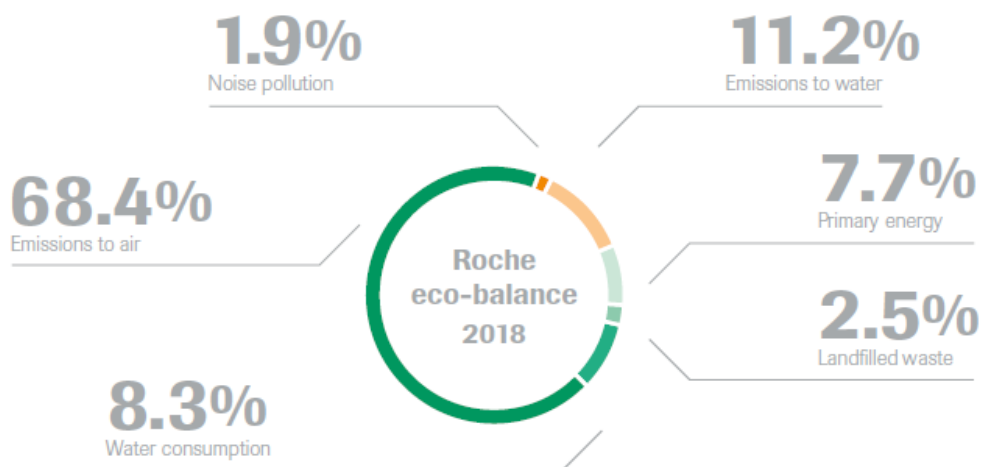
Our SHE goals and performance

Eco-balance

Eco-balance refers to the consumption of resources and the pollution caused by our business activities. It thus describes the total environmental impacts of our operations. Our goal is to reduce our environmental impact by 10% per employee over 5 years (2014 – 2019).

Eco-balance helps Roche identify environmental risks. The procedure is integrated into a multi-disciplinary company wide risk process forming an important aspect of our business strategy. Our Eco-balance comprises a number of individual impacts including air and water emissions, landfill waste, primary energy, raw material and water usage. The weight of these impacts allows us to monitor our environmental performance and thereby identify potential risks and possible opportunities. Eco-balance is calculated at both the local and global level. By not identifying an environmental risk e.g. water shortages, emissions to water, can result in reputational and financial issues. Roche saves money from efficient use of resources and processes, while progressively reducing its ecological impact. Improving the eco-balance is not only good for the company brand, but it also helps achieve significant improvements in plant and process operations.

By allocating environmental impact points (see note on weighting factors) to ecologically relevant parameters — the consumption of resources, water and energy, and the waste and emissions to air, water and soil — we obtain a view of the demand we place on the Earth’s ecosystems. These points are added and then related to the total number of employees, which enables us to monitor our environmental impact per employee (million impact points).



Within the first year (2014–2015) we decreased our environmental impact by 3.6% compared to 2014. In the second year we reduced our environmental impact by a further 9.2%, thus reaching our goal early. A

new goal has now been set. On average we aim to reduce the impact of each impacting environmental elements by 2% / year. In 2018 the global ecological impact of Roche operations was 5.6 Mio impact points per employee. Approximately 68% comprised emissions to the air, of which, approximately 86% was CO₂. Our improvements in optimising energy consumption, the volume of consumed water as well as emissions to air and water contributed to this positive effect.

We have established a Group-wide goal for eco-balance. However, management at each Roche site may establish strategies and objectives for reducing environmental impacts that are best suited to local circumstances.

Note on weighting factors: For the determination of the weighting factor for individual effects in terms of ecological impact points, the Swiss environmental agency (BAFU) applies the so called principle of ecological scarcity. The factor is determined via the ratio of critical (or geogenic) and anthropogenic flows of materials. Increasing knowledge, changing use patterns and new legislation require periodic adaptation or new determination of these weighting factors. For calculating total environmental impacts per employee we use the 2013 weighting factors. Energy has different weighting factors depending on whether it originates from renewable (sustainable) or non-renewable sources. In addition, landfilled waste is weighted differently depending on its nature, i.e. whether it is inert or degradable (containing organic carbon).

