

Corporate Sustainability Committee Charter

1. Purpose

Roche follows the principles of sustainable development as the basis for successful, forward-looking business activities. Roche subscribes to the definition of the Brundtland Report, published in 1986, that development is sustainable if it 'meets the needs of the present without compromising the ability of future generations to meet their own needs'. Roche is conscious of the dynamic interdependence of economic, social and environmental interests and seeks to reconcile them in its daily business activities to ensure long term value creation for all stakeholders.

This Charter describes the management process in the area of corporate sustainability through the mission, membership and processes of the Corporate Sustainability Committee.

2. Corporate Sustainability Committee (“CSC”)

Sustainability at Roche is an integral part of the Corporate Culture and behavior in business as described in the Corporate Principles. As such each employee is responsible on an individual level for upholding the corporate principles and line management is responsible for ensuring alignment in business activities and processes within their area of responsibility.

To ensure a close link to the operational part of the business and a full commitment from management, membership reflects the Group management model of a cross functional team approach using an integrated network within the organization to make use of all relevant resources, experience and knowledge from all levels.

The CSC has been defined by Group Management as the responsible body to manage and coordinate the sustainability process. It reports to the Head of Corporate Services and submits regular reports to the CEC and the Board Committee for Corporate Governance and Sustainability.

2.1. Mandate and main objectives

The mandate of the CSC is to support value creation for main stakeholders by integrating ethical, social and environmental responsibility into daily business activities as defined by the Corporate Principles and sustainability related. Its purpose is to ensure that Roche has in place policies, standards, systems and people required to identify and meet the international standards and agreements in the social, environmental and economic (SEE) area formally committed to.

- The CSC establishes, monitors, manages and coordinates the sustainable development strategy of Roche and its implementation based on annual objectives and an action program approved by the Corporate Executive Committee (CEC).
- The CSC develops and increases stakeholder awareness (both internal and external) of the need and benefit of sustainable behavior and initiates changes and/or continued improvements. It is responsible for regular internal and external reports, the Sustainability Website and the Sustainability part of the Group’s Annual Report.

- The CSC identifies and assesses, together with line management, the significant social, ethical and environmental risks that might impact on the long-term business or impair Roche's objective to remain recognized as a leading responsible company in an industry which is under public scrutiny. The CSC is mandated by Group Management to monitor alignment with the Corporate Principles and compliance with Roche's social, ethical and environmental policies.
- The CSC ensures, by means of suitable steps and appropriate information, together with the existing functions such as Corporate Audit, Corporate Human Resources, Corporate Law, Corporate Safety Health and Environmental Protection, the Corporate Compliance and Corporate Risk Officers that proper and satisfactory internal systems and controls are in place to identify and manage economic, social and environmental risks and that the company's and its subsidiaries' business is conducted in a responsible manner. As a consequence, the CSC reviews all global policies and regulations related to sustainability on a Group level and handles the approval process of the Corporate Executive Committee. The CSC is also involved in the review and approval process for all sustainability related global policies and regulations on a Divisional level.
- The CSC manages and coordinates stakeholder dialogue with respect to social, ethical and environmental matters. It maintains the corporate data centre and acts as source and internal point of contact for sustainability matters on a Corporate level. In particular it handles all sustainability related questionnaires.

2.2. Roles, membership and procedures

The CSC is chaired by a person who is nominated by the CEO. A delegate of Corporate Finance Investors Relations acts as the Secretary of the CSC.

To ensure the highest possible sensitivity and flexibility, the CSC is structured as follows:

2.2.1. CSC Core Team

The CSC Core Team is a cross-functional and cross-divisional network comprising all Corporate Functions as well as senior managers delegated by the Heads of the Divisions and Corporate Finance. Membership of the CSC Core Team is defined by function or by delegation and linked to the specific functional assignment. The CSC Core Team meets at least twice a year.

Responsibilities of the CSC Core Team:

- Governance of the CSC by reviewing and endorsing the CSC Charter and Action program
- Review and endorsement of all global Corporate policies and regulations related to sustainability matters
- Review and endorsement of all formal publications of the CSC such as the sustainability section of the Corporate Website and Annual Report
- Ensure necessary support and priority for sustainability related activities within their area of responsibility
- Sounding Board to the Chairman of the CSC

2.2.2. CSC Working Group

The CSC Working Group comprises specialists involved in the ongoing activities of the CSC, and selected experts responsible for sustainability related projects:

- Delegates of the Corporate Functions with special sustainability related responsibilities
- Delegates of the Divisions and divisional functions with special sustainability related responsibilities
- Representatives from all ad hoc expert groups
- Responsible representatives from Corporate, Divisional and Functional communication functions

Membership of the CSC Working Group is by invitation by the CSC chairman or by delegation from the Group Management or the CSC Core Team, and is limited to the specific mandate.

The CSC Working Group normally meets at least four times a year by invitation by the CSC chairman. Defined sub groups put in place to handle specific project or issues can meet more often based on the specific needs.

Responsibilities of the CSC Working Group:

- Ensuring a close link and increased awareness within the organization through adequate action programs and proper communication within the Group on sustainability matters
- Implementation of CSC action plan
- Preparation and handling of all sustainability related global Corporate policies and regulations on behalf of the CSC Core Team
- Implementation of the agreed positions and regulations within their areas of responsibility
- Review and endorsement of all global Corporate positions and documents on sustainability related matters
- Identification of gaps and proposal for adequate steps to fill them
- Preparation and availability for external stakeholder dialogue on behalf of the CSC Core Team.
- Preparation, production and maintenance of the Sustainability web site and Report

2.2.3. CSC Expert Groups

Ad hoc groups of experts from different Divisions, Functions and/or affiliates are established by the CSC Core Team, the CSC Working Group or the Chairman to deal with specific issues with real or potential impact for the whole Group. The mandate of Expert Groups is usually limited and ends with the approval of the recommendation and the action plan for implementation by the CSC.

CSC Expert Groups report to the CSC Chairman and are represented in the CSC Working Group by a delegate during the term.

2.3. Relationship to Corporate and Divisional Functions and Affiliates

Line management is responsible for the implementation of the Roche values. Following the integrated network approach, line management and function heads are encouraged to develop their own programs and activities regarding sustainability.

In the interest of the Group, the CSC acts as a coordinator and facilitator for all activities with potential impact beyond the direct areas of responsibility of the Corporate and Divisional Functions and the Affiliates.

3. Sustainability management process

Benchmarks for Sustainability related activities are:

- Roche values that have evolved over time, are reflected in the Roche culture and described in the Corporate Principles,
- the legitimate interests of the main stakeholders and
- the standards set by the international Corporate Social Responsibility (“CSR”) community as described e.g. in Global Compact or set by the OECD guidelines for multinational enterprises and the UN declaration of the Human Rights.

The CSC focuses on measures to ensure there are correct processes for:

- Monitoring consistency with the Corporate values as expressed in the Corporate Principles.
- Identification and management of key social and environmental issues and ensuring the reliability of social and environmental performance management information;
- Identification of and engagement with key stakeholders;
- Monitoring the efficiency and effectiveness of sustainability management systems and controls.

Dr. Franz B. Humer
Chairman and CEO Roche Group

This Corporate Sustainability Committee Charter was approved by the CEC on June 19, 2007.