
Roche Pharma Day 2020

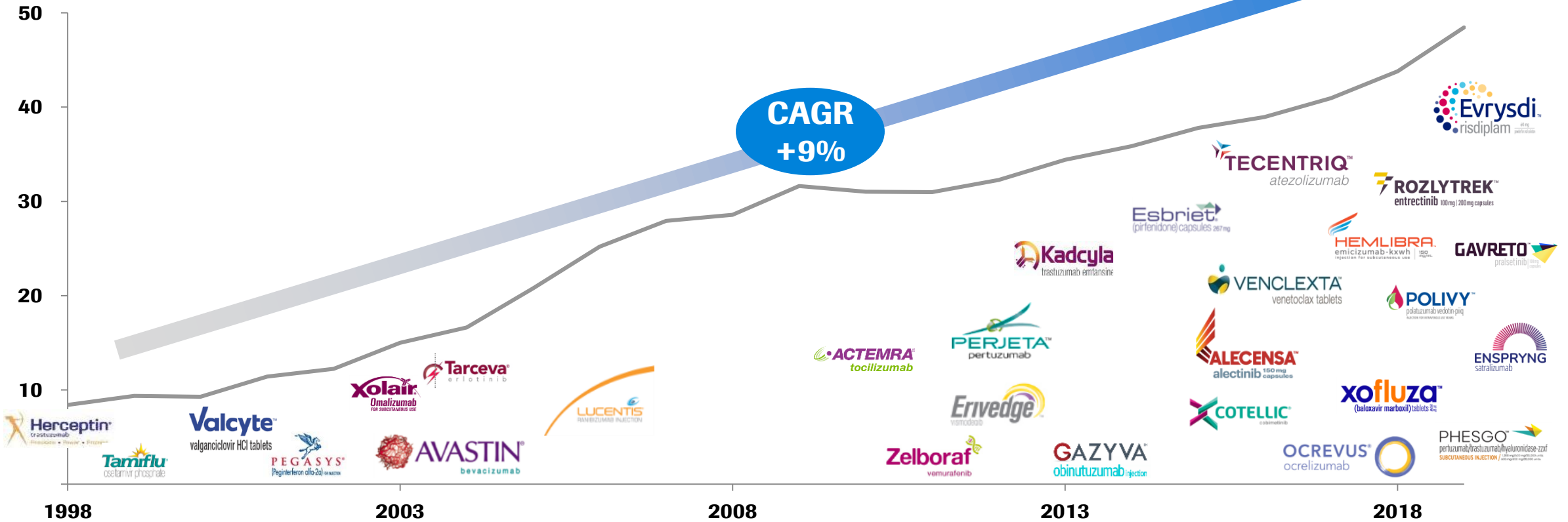
*Pharma Strategy: Sustainable growth, more patient benefits,
and less cost to society*

Bill Anderson | CEO Roche Pharmaceuticals

Roche has a strong track record of innovation

Industry leading medicines as basis for our continuous growth

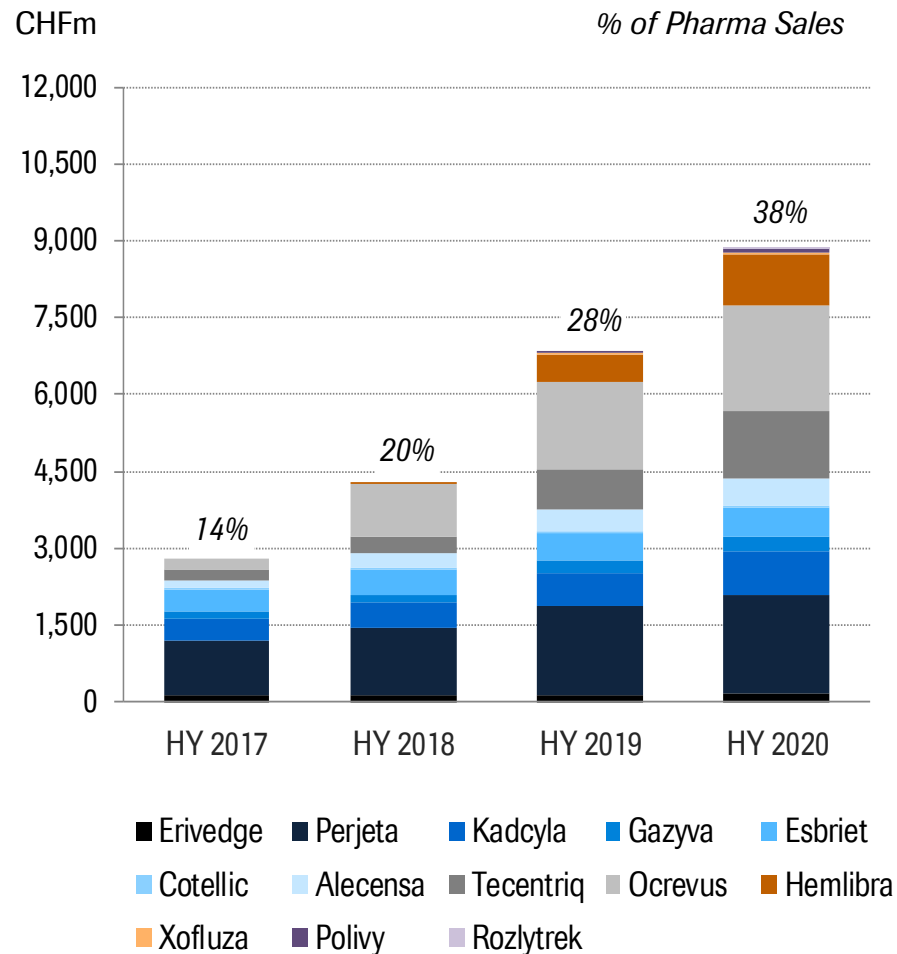
Pharma Division
Sales CHFbn



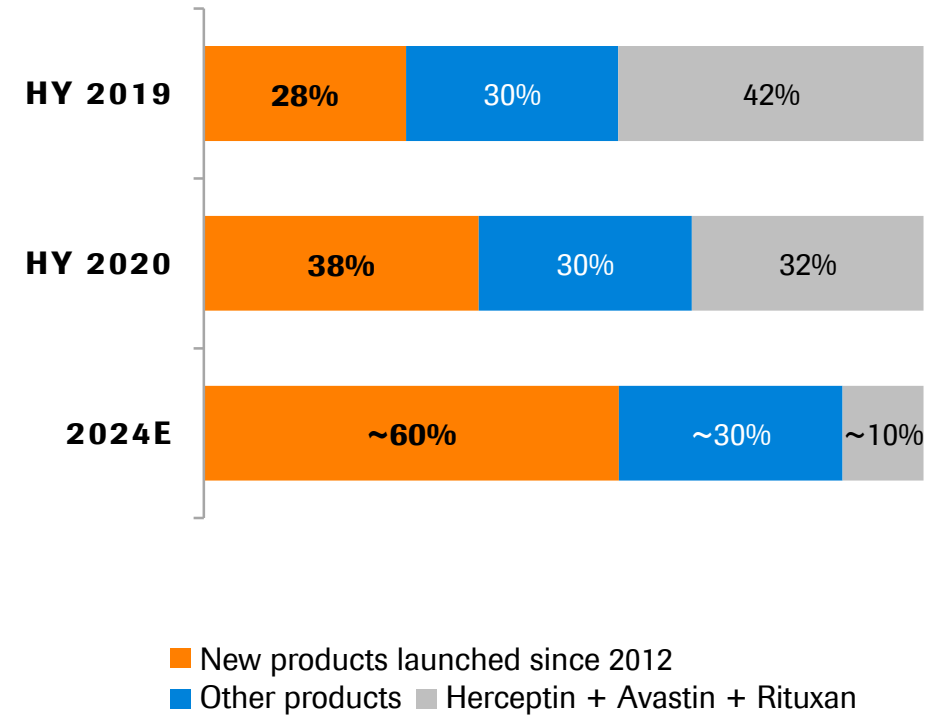
Sales excluding OTC at 2019 average exchange rates; Approved medicines shown do not represent the entire portfolio rather a selection, timeline reflects year of approval

Innovation driving portfolio rejuvenation

Increasing share of sales coming from recent launches



Pharma sales mix



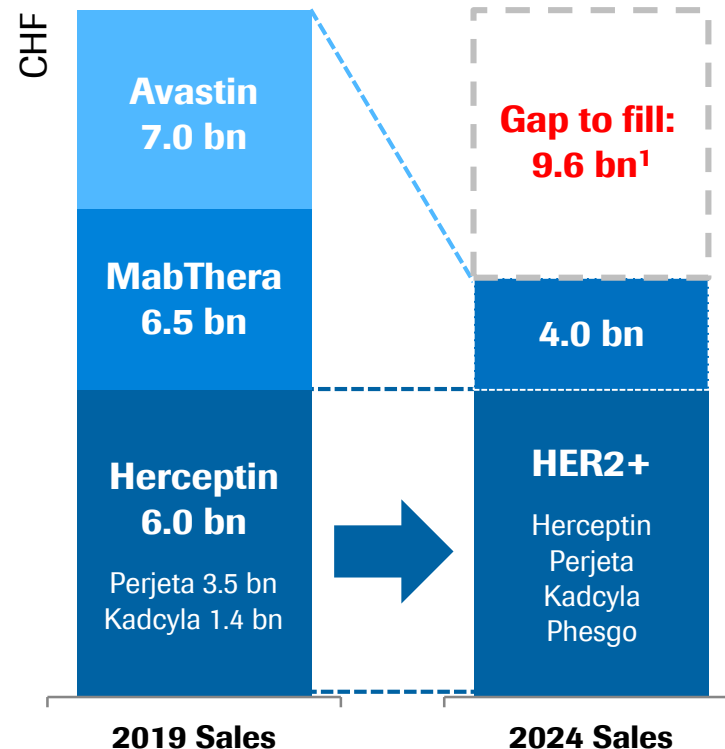
All absolute values are presented in CHFm reported

New product growth with strong momentum

Considerable optionality

Biosimilar gap (19-24)

Sensitivity analysis: Assuming *conservative* planning assumptions of 60-70% erosion from biosimilars



Consensus sales growth (19-24)

Post-HY 2020 consensus survey

Ocrevus	3.1 bn
Tecentriq	4.1 bn
Hemlibra	3.0 bn
Gazyva	0.7 bn
Alecensa	0.8 bn
Polivy	1.1 bn
Enspryng	0.4 bn
Evrysdi	1.4 bn
Other in-market ²	(0.3) bn
Pipeline value ³	3.4 bn

Total 17.7 bn

Up-side potential to consensus above are:

Oncology (Gavreto, mosunetuzumab, PI3Kai, SERD), **Ophthalmology** (PDS), **Neuroscience** (gantenerumab, prasinezumab, SRP-9001), **Immunology** (Gazyva in lupus, rhPentraxin-2, crovalimab, etrolizumab in CD), **Infectious diseases** (REGN-COV2, chronic HBV)

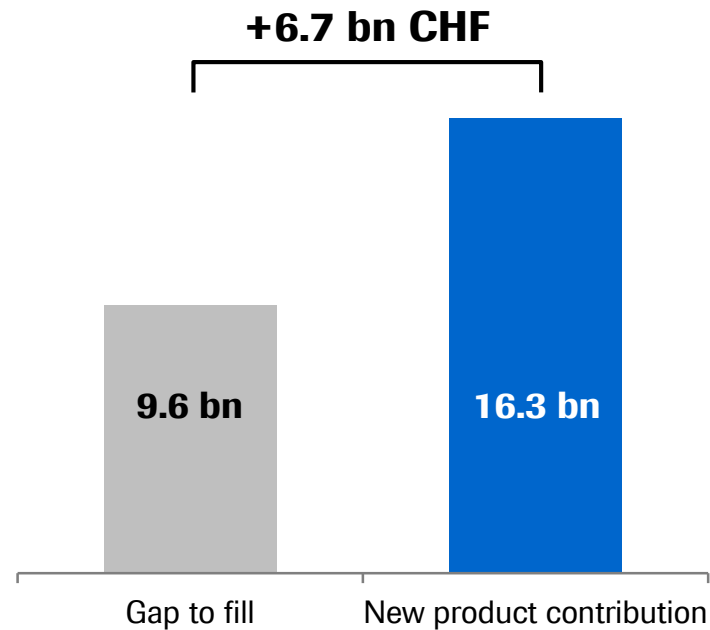
¹ Gap value including the total HER2+ franchise change from 2019 to 2024; ² Xolair, Pulmozyme, CellCept, Activase/TNKase, Actemra, Lucentis, Erivedge, Esbriet, Cotelllic, Xofluza, Rozlytrek;

³ glofitamab, tiragolumab, ipatasertib, faricimab, tominersen

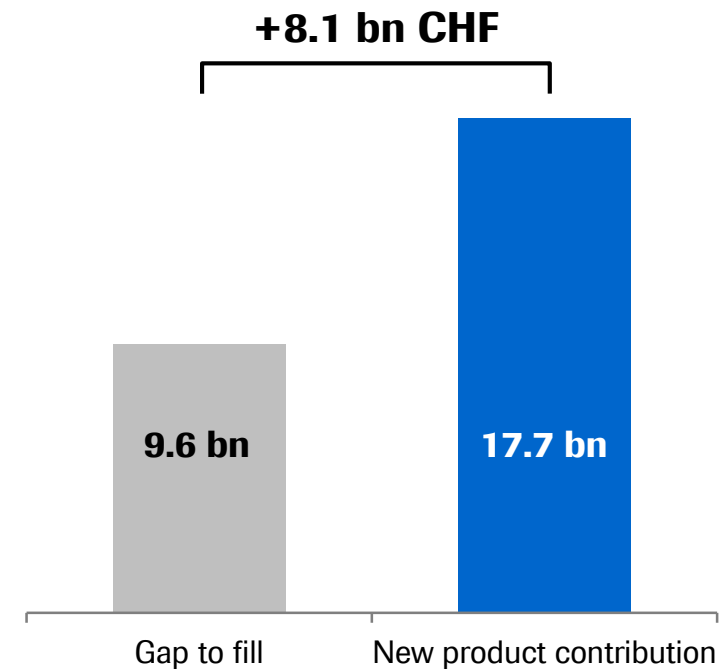
What has changed since our Pharma day a year ago?

Further increased confidence in delivering growth

2018-2023 consensus view¹



2019-2024 consensus view²



Strong new product contribution and ongoing launches driving growth

¹ Roche Post-HY 2019 consensus survey; ² Roche Post-HY 2020 consensus survey

Strong commercial potential throughout late stage portfolio

+23 late-stage assets
with large sales potential

Phesgo	✓
Polivy	✓
Xofluza	✓
Evrysdi	✓
Enspryng	✓

Gavreto ✓	fenebrutinib
crovalimab	SRP-9001
SERD ²	tominersen
PI3Kai ³	gantenerumab
tiragolumab	faricimab
glofitamab	PDS w/ ranibizumab
mosunetuzumab	rhPentraxin-2
ipatasertib	Gazyva
REGN-COV2	etrolizumab

15 blockbusters

Hemlibra
Tecentriq
Alecensa
Kadcyla
Venclexta ¹

10 blockbusters

Ocrevus	Esbriet
MabThera	Actemra
Herceptin	Lucentis
Avastin	Xolair
Perjeta	Activase

Ocrevus	Esbriet
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Herceptin	Lucentis
Avastin	Xolair
Perjeta	Activase

2018

2020 consensus

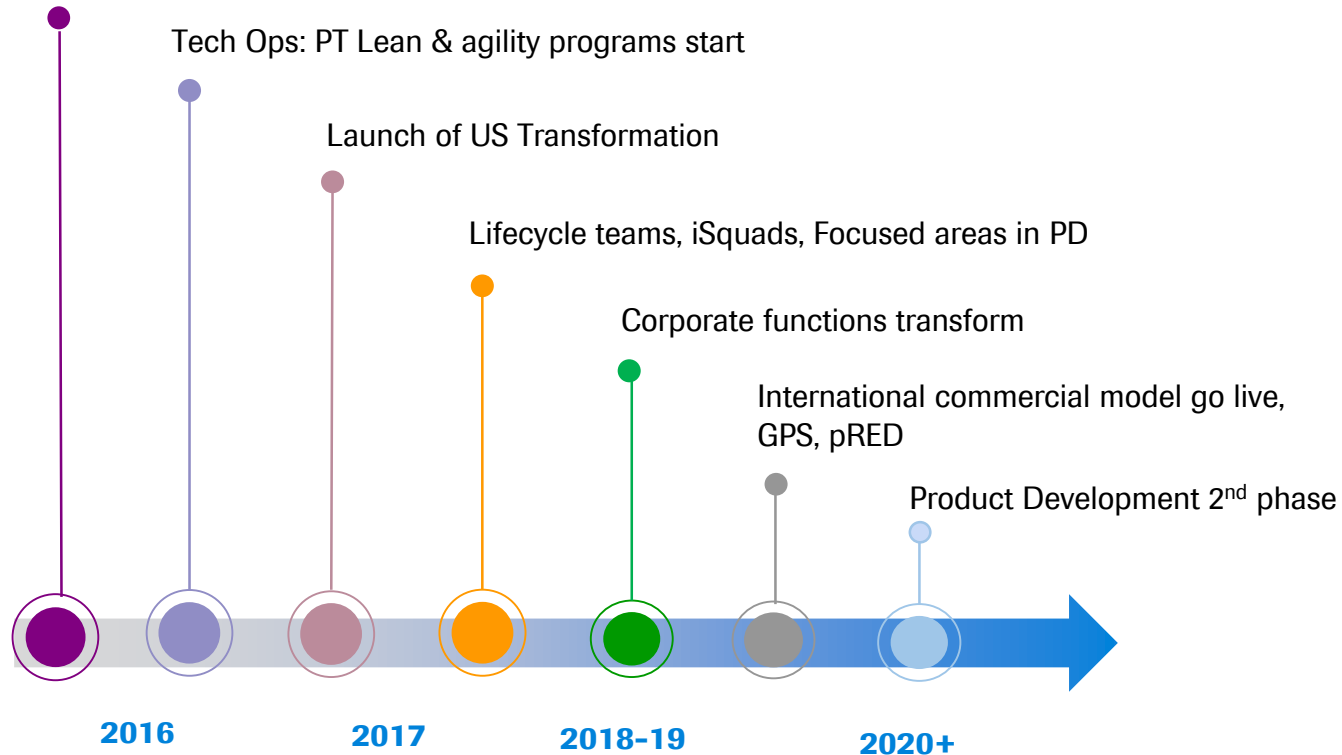
Neuroscience
 Immunology
 Ophthalmology
 Oncology/Hematology
 Infectious diseases
 ✓ launched

¹ Venclexta sales are booked by partner AbbVie; ² RG6171 (GDC-9545); ³ RG6114 (GDC-0077)

Transformation is a key enabler of our Pharma Vision

Guiding principles & decentralized execution for maximum impact

Executive Committee focus on agile: start of major changes to increase flexibility and dynamism



Guiding principles:

- From silos, functional and top down focus to small empowered accountable teams
- From internal/organization chart orientation to patient and external focus
- From leadership as command & control to setting a vision, architecting the system, coaching, and catalyzing change

In focus: The VITAL model

Dynamic resource allocation

Vision: Align work to our vision and purpose

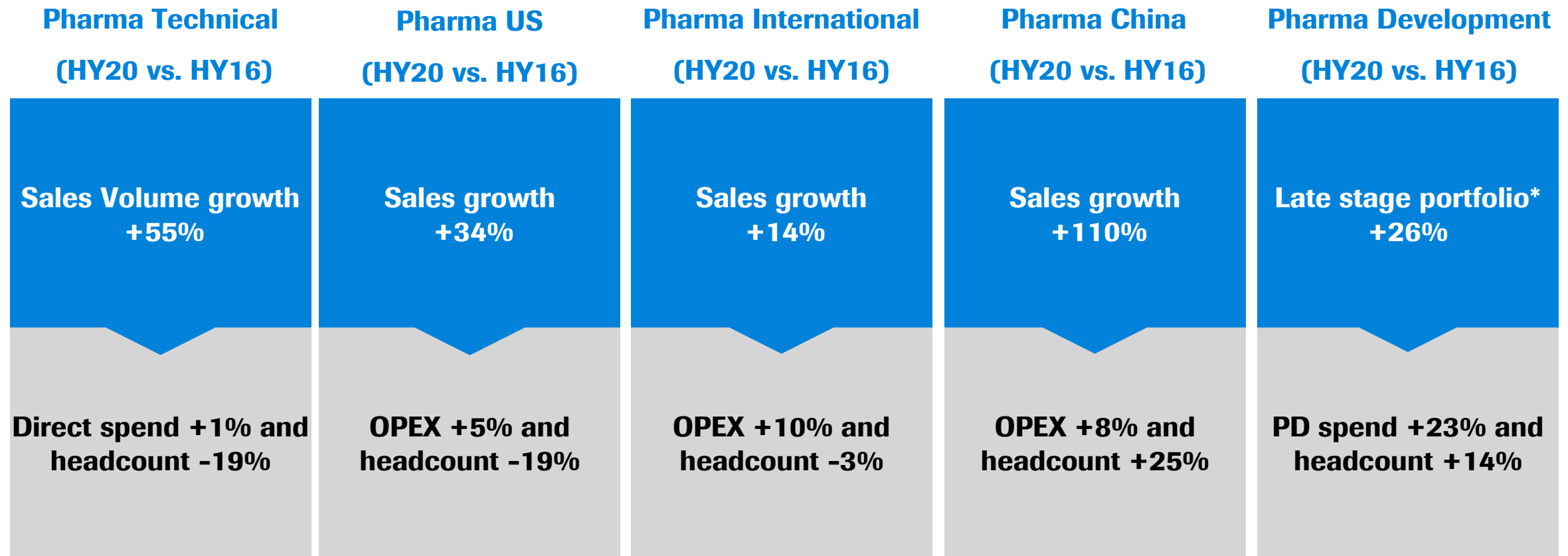
Improve Performance: Lower costs for same output

Talent Flow: Move talents to highest priority work

Accountable to Peers: Share learnings to enhance decision making

Lucid to All: Transparency on results, accountable for continuous improvement

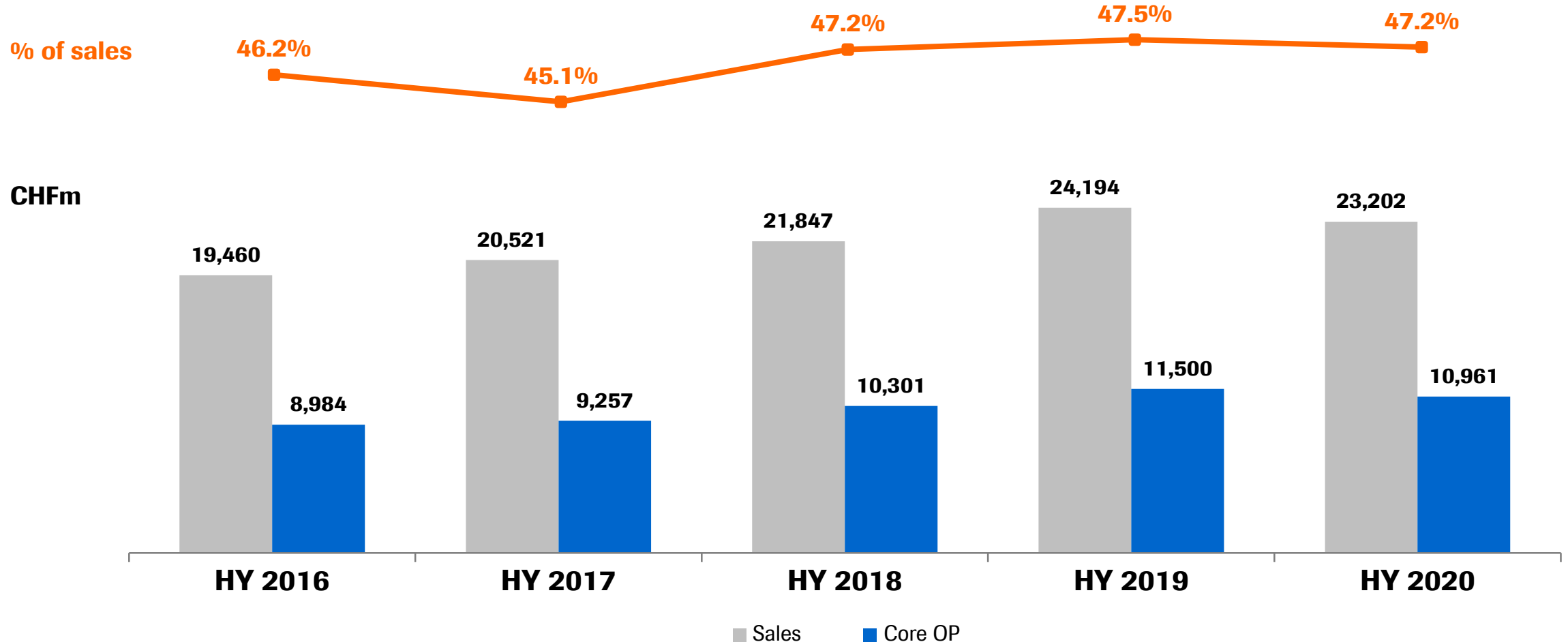
Increasing our productivity and financial flexibility



Maturity of transformation efforts

* Project count growth

Strong profitability development despite challenging environment



All absolute values are presented in CHFm reported


Our Pharma Vision 2030

Providing more patient benefit at less cost to society

2030

More patient benefit


1



Doubling of medical advances¹

- Re-allocation of resources into R&D, while working on and protecting profitability
- R&D Mission Support

2



Significantly progress other patient benefits

- Integrated solutions and new engagement models
- Improved outcomes via enhanced disease management

Less cost to society

3



I.e.: Earlier, more targeted, efficacious & shorter interventions

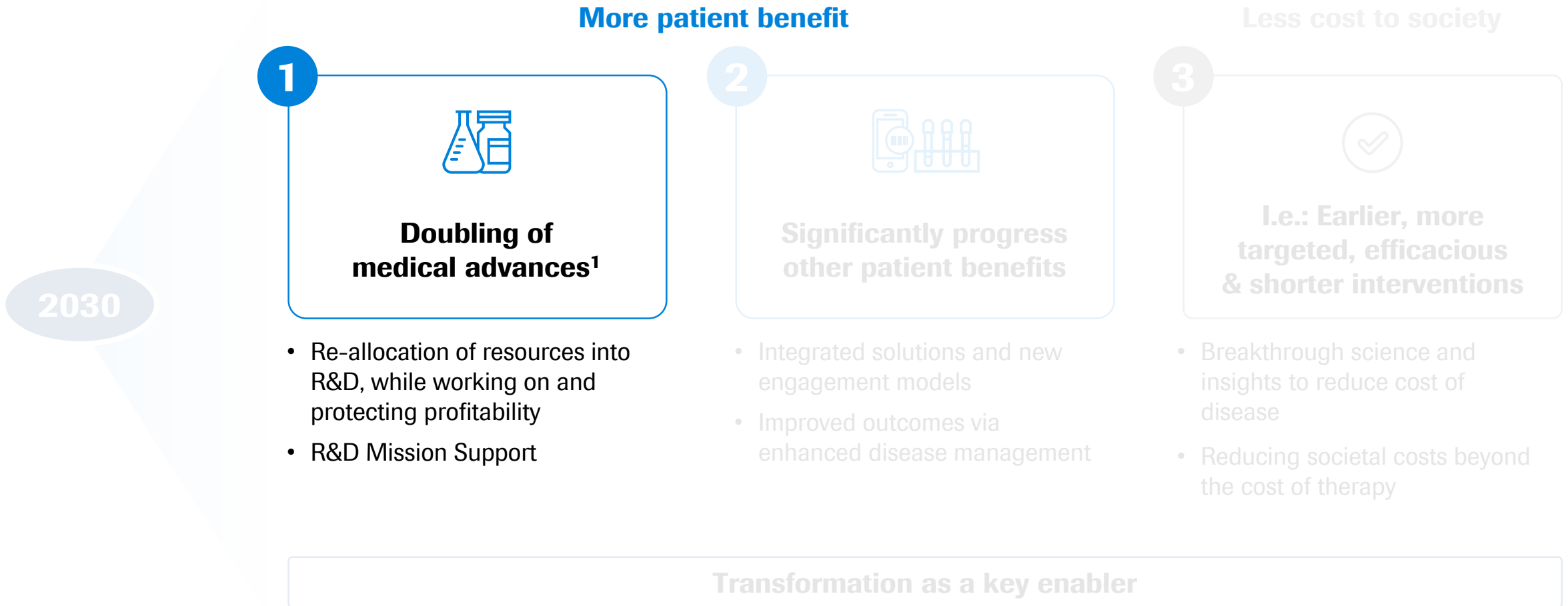
- Breakthrough science and insights to reduce cost of disease
- Reducing societal costs beyond the cost of therapy

Transformation as a key enabler

¹ First approval of a new molecule in a new indication

Our Pharma Vision 2030

Providing more patient benefit at less cost to society

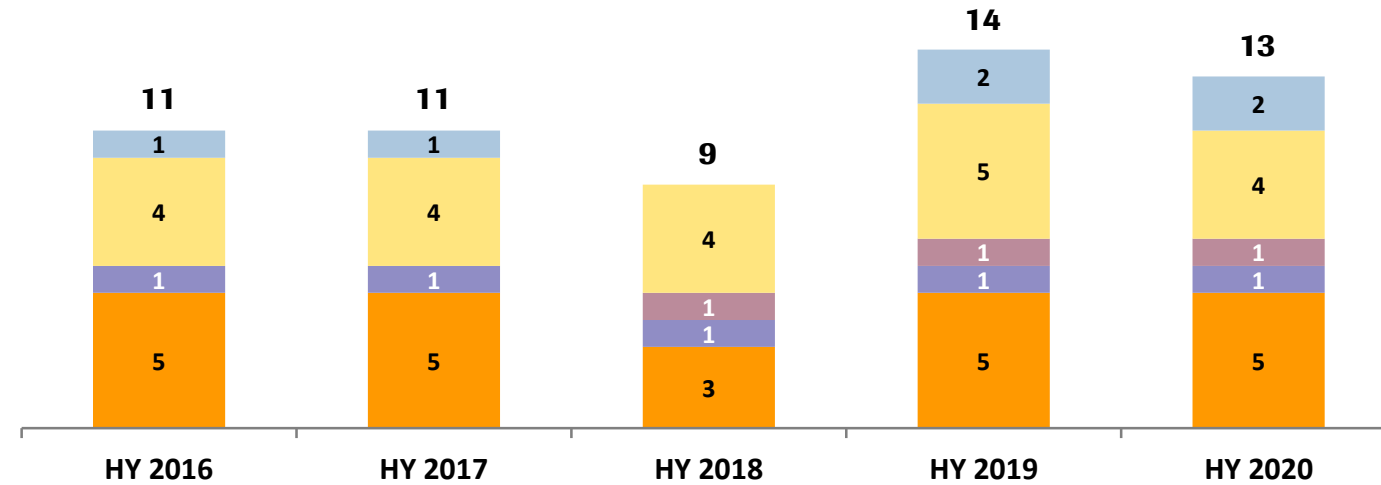


¹ First approval of a new molecule in a new indication

Invest in innovation: Assets in Ph III & registration

Strong momentum in the second half 2020

NMEs

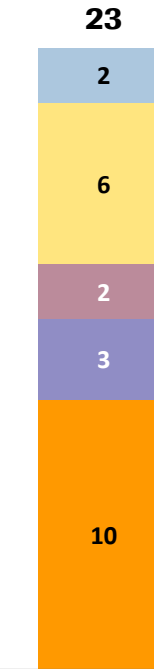


AIs



■ Oncology/Hematology
 ■ Immunology
 ■ Infectious diseases
■ Neuroscience
 ■ Ophthalmology

Outlook
FY 2020



+10 NMEs to be added until year end

Gavreto in RET+ NSCLC & thyroid cancer

SERD Ph III in 1L HR+ mBC

glofitamab Ph III in r/r DLBCL

mosunetuzumab Ph III in r/r FL

crovalimab Ph III in PNH

REGN-COV2 Ph III in COVID-19 (run by Regeneron)

rhPentraxin-2 Ph III in IPF

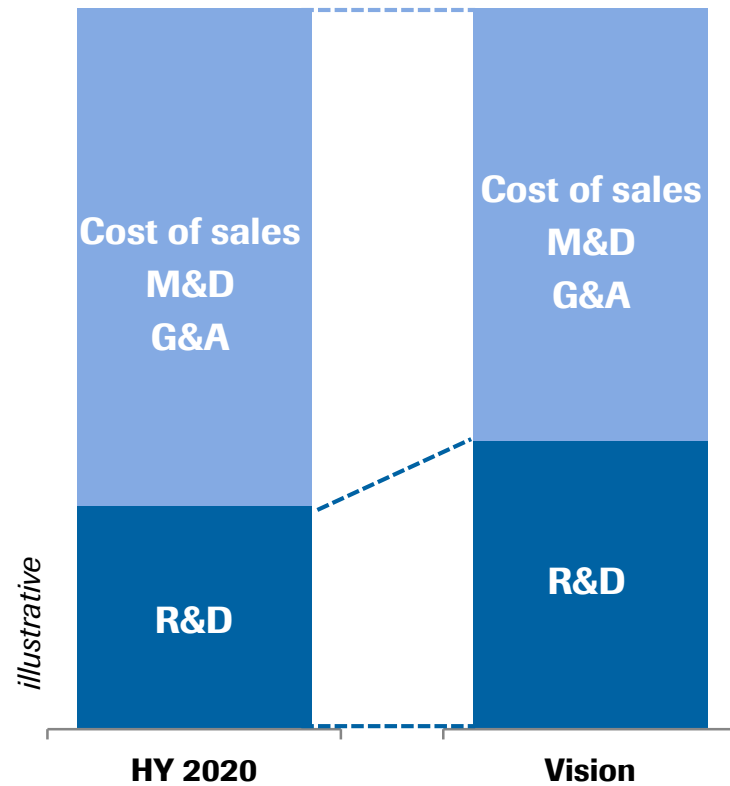
Gazyva Ph III in Lupus nephritis

fenebrutinib Ph III in RMS & PPMS

SRP-9001 Ph III in DMD (run by Sarepta)

Strategic re-allocation of resources

Pharma cost structure



Principles for resource allocation

- Re-allocate resources into R&D while working on and protecting profitability
- Optimizing costs and efforts by
 - More targeted and often virtual stakeholder engagement
 - Personalized, digital content & services
- Improve performance by dynamic resource allocation (VITAL model)

Recent deals and partnerships¹

Accelerate drug discovery and driving personalized healthcare

Early stage assets	Late stage assets	Research technologies	Digital & PHC
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DicernaTM
(HBV)

IONIS
(tominersen)²

Jecure
THERAPEUTICS
(NLRP3 inhibitors)

PTC
THERAPEUTICS
(risdiplam)²

Adaptive
biotechnologies*
(T-cell therapies)

4DMT
(choroideremia)

SAREPTA
THERAPEUTICS
(SRP-9001/DMD)

Promedior
(rhPentraxin-2)

REGENERON
(REGN-COV2)

blueprint
MEDICINES
(Gavreto)

Spark
THERAPEUTICS
(gene therapy; SPK-8011)

VIVIDION
Therapeutics
(E3 ligases)

santaris
pharma a/s
RNA Medicines for the 21st Century
(RNA-targeting)

jnana
Therapeutics
(SLC transporters)

FOUNDATION
MEDICINE
(molecular information)

flatiron
(electronic health records)

FRED HUTCH
CURES START HERE™
(digital remote monitoring system)

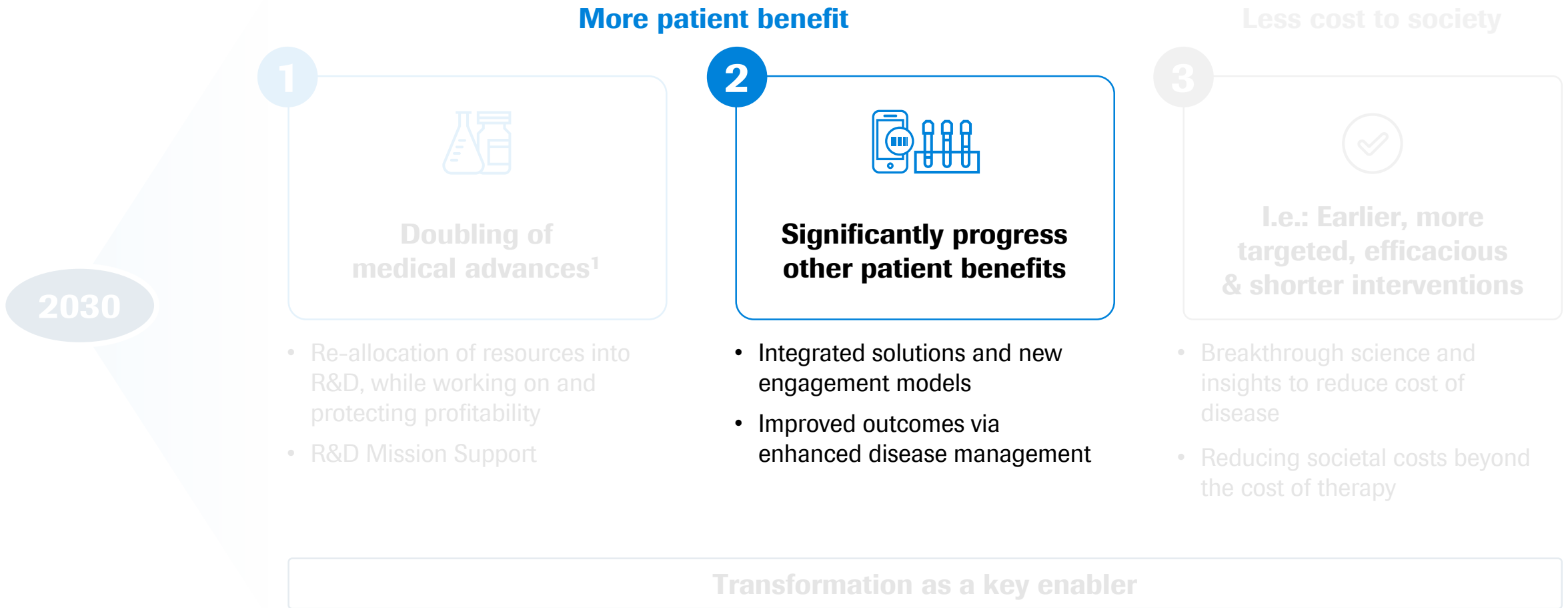
78 new agreements in 2019
focused on

High disease burden / Promising targets / Novel enabling technologies

¹ Non-exhaustive overview; ² at the time of licensing

Our Pharma Vision 2030

Providing more patient benefit at less cost to society



¹ First approval of a new molecule in a new indication

Go-to-market Model

Strategic shifts until 2030

From

To

Engagement

"Mass field" largely in-person

More targeted and often virtual

Content

Static information

Personalized, digital content and services

Content release

Synchronized with field force cycles

Continuous and real-time

Customer targeting

Decided by sales representatives

Supported by advanced analytics

Conference

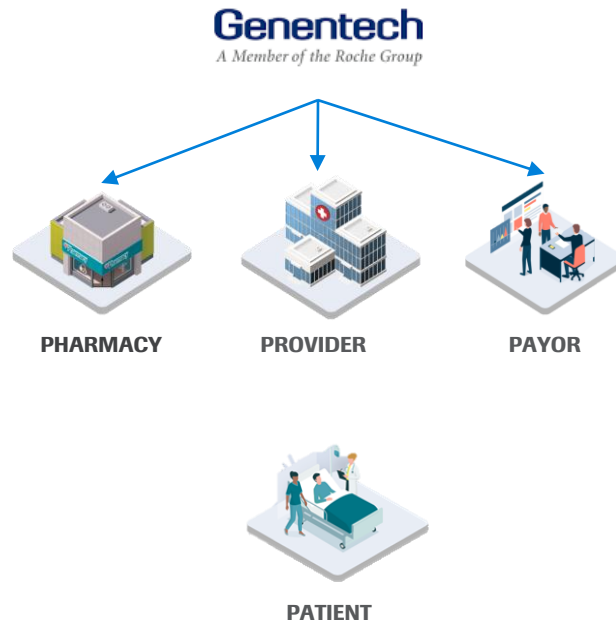
Physical attendance

Virtual and real-time exchange

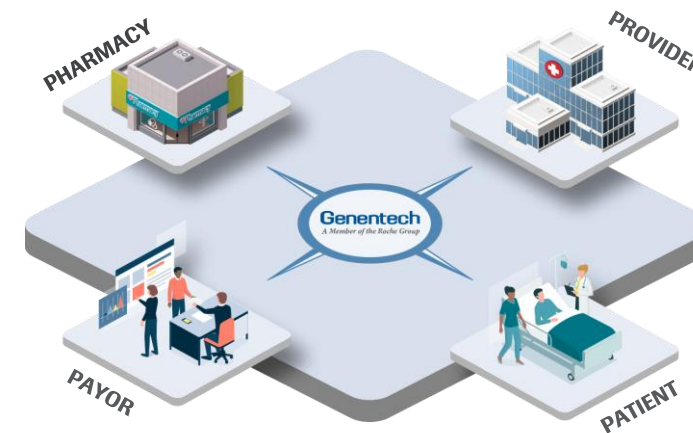
Evolving customer engagement models: US

Early progress in "Pioneer" go-first areas

Old structure



New structure

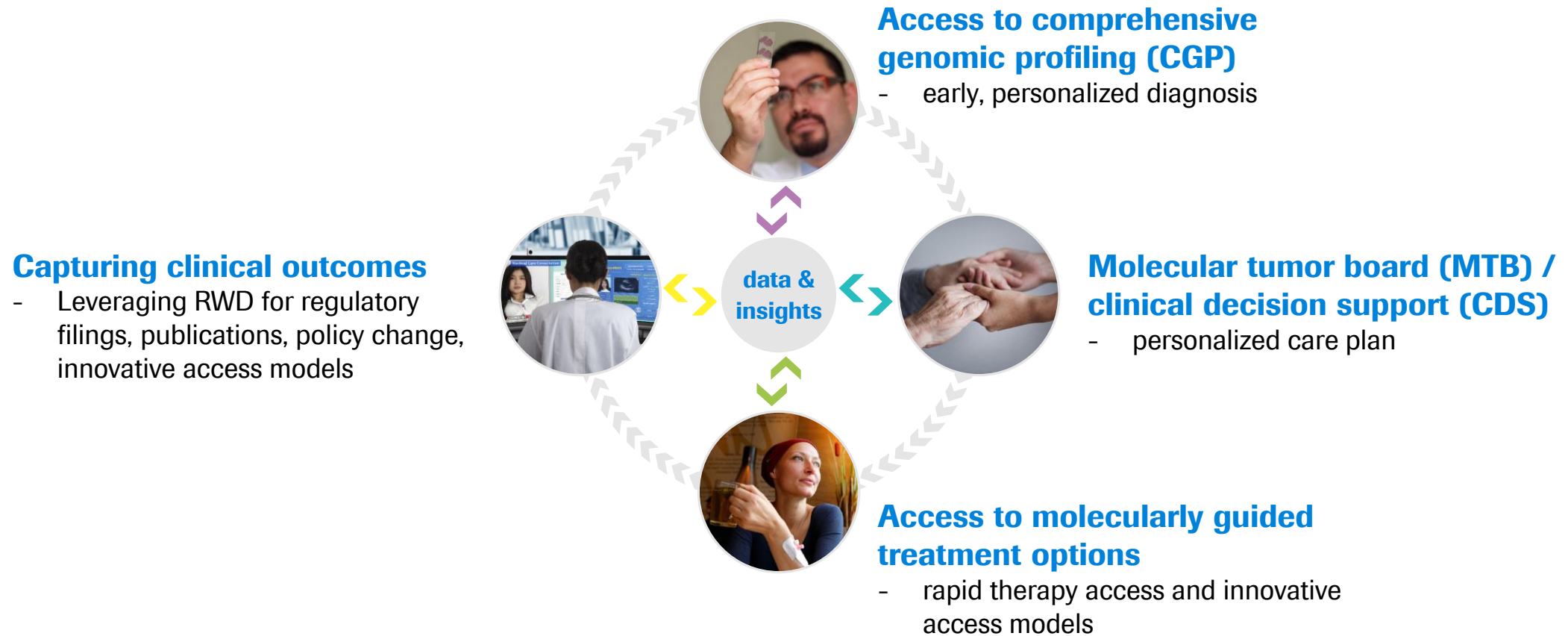


- Empower local decision making
- Providing integrated solutions

First large pharmaceutical company in US market to develop Eco-system approach

Delivering Integrated Solutions

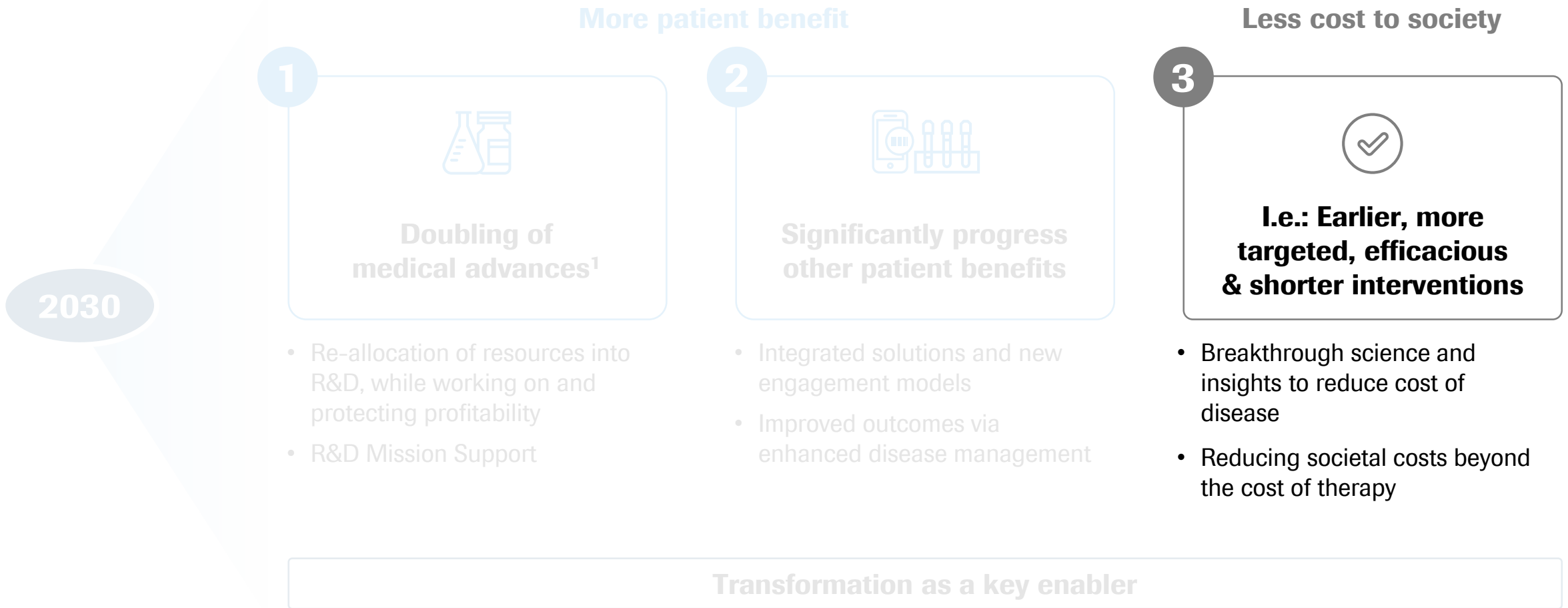
Using data & insights to improve patient outcomes



More patients on optimal therapy and creation of ‘learning healthcare system’

Our Pharma Vision 2030

Providing more patient benefit at less cost to society



¹ First approval of a new molecule in a new indication

Responsible pricing strategy: Impact of medicines is at the core, while considering WHO's fair pricing dimensions

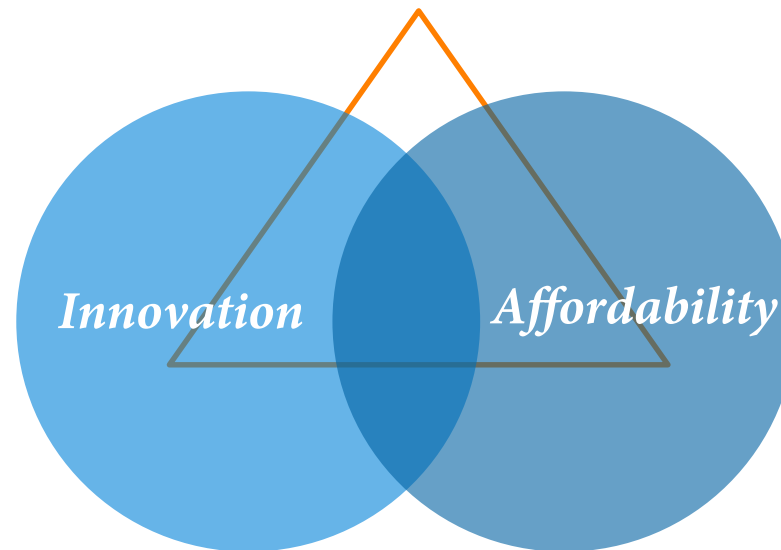
HEALTH IMPACT

Positive **impact** of medicine for **patients, healthcare systems** and **society**.

FUTURE INNOVATION

Pricing strategy allows to **invest** into **high risk** and complex disease areas.

Meeting the needs of patients of tomorrow.



Innovation available for patients today and tomorrow

SYSTEM CONTEXT

Pricing reflects different **healthcare systems & regulatory environments**.

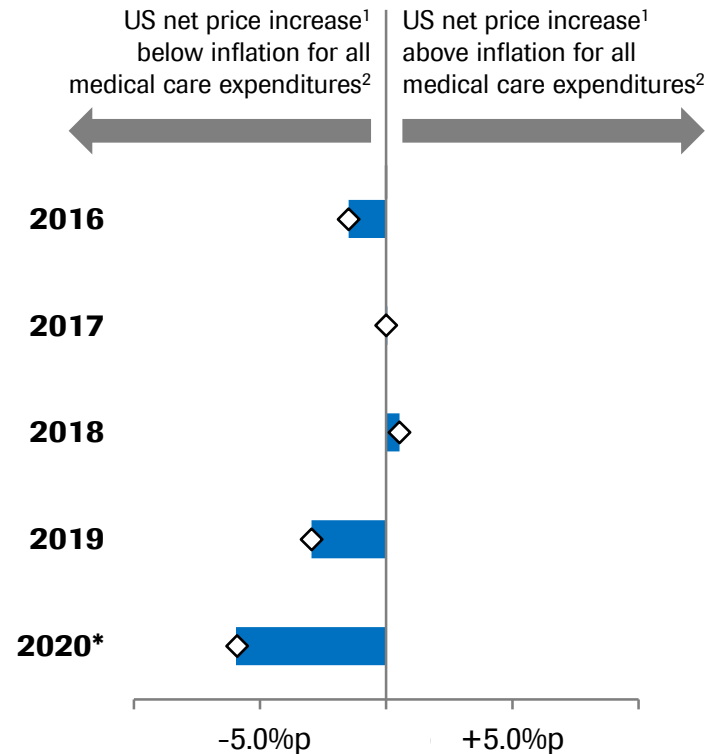
Make medicines as affordable as possible.

Responsible and innovative pricing solutions

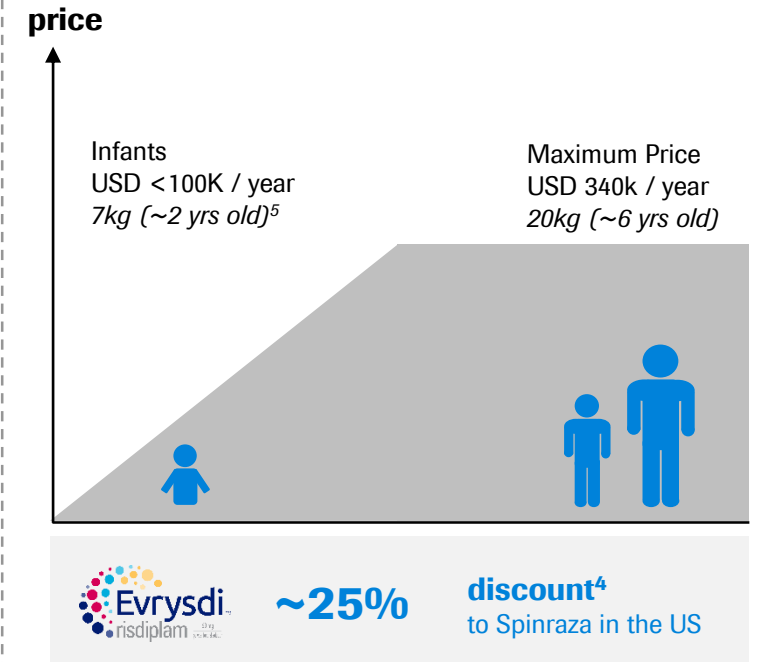
Recent examples of responsible pricing

<p>OCREVUS[®] ocrelizumab</p>	<p>~25%</p>	<p>discount³ to Rebif list price in the US</p>
<p>HEMLIBRA[®] emicizumab-kxwh</p>	<p>~50%</p>	<p>discount³ to BPA prophylaxis in the US</p>
<p>ROZLYTREK[™] entrectinib</p>	<p>~50%</p>	<p>discount³ to Vitrakvi list price in the US</p>

Net price increases in line with medical inflation in the US



Price ceiling for Evrysdi



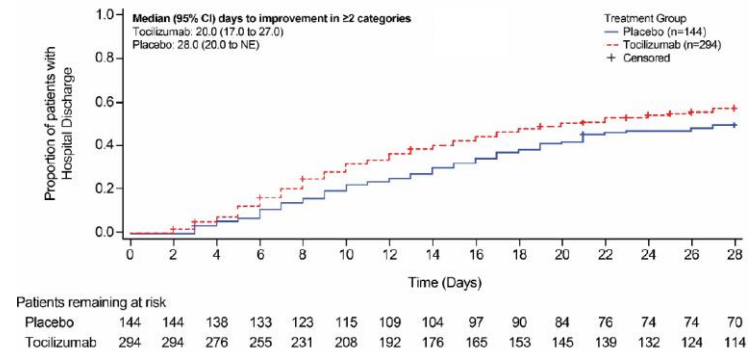
¹ Genentech's annual average net price increase in the U.S., weighted by sales; ² for inflation CPI-U Medical Care is used for all medical care expenditures (incl. prescription and non-prescription drugs, medical supplies, physicians' services, hospital services, and health insurance) – source: U.S. Bureau of Labor Statistics (US BLS); ³ discount at launch; ⁴ discount over 5-yr (at max Evrysdi price); ⁵ average infant weight from the FIREFISH trial; * TTM for CPI-U Medical Care in 2020

Costs to society

Reducing societal costs of disease beyond the cost of therapy

Actemra in COVID-19: Positive trend in time to hospital discharge

Time to hospital discharge/ready for discharge to day 28[‡]

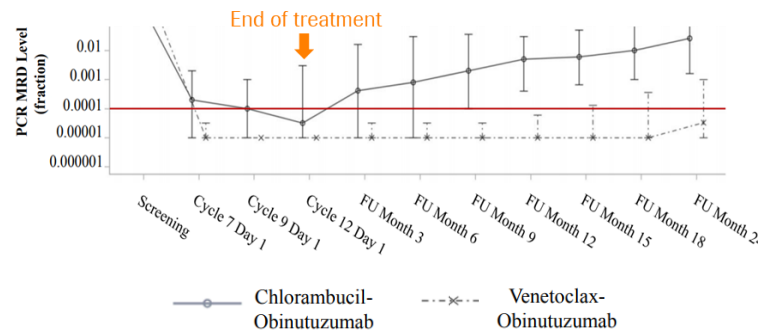


Median Time to Response:
 TCZ=20.0 [17.0 to 27.0]; PBO=28.0 [20.0 to NE]

Potential for freeing up hospital capacity if confirmed in additional studies

Venclexta + Gazyva in CLL: Potential for shorter/curative treatment

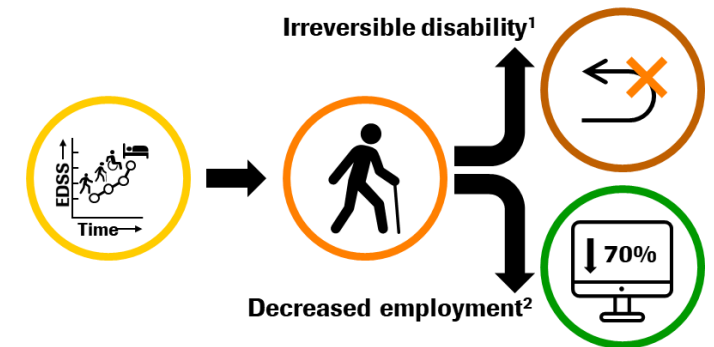
Ph III (CLL14) results*



Fixed treatment duration avoids long term side effects of chronic therapy & generates savings to HC system

Ocrevus in MS: Delaying the need for walking aid

Disability progression in patients with RMS



Consequences of reaching EDSS score ≥6.0 walking aid required

Expanding the time patients can live independently & continue working

[‡] Rosas, et al., 2020, doi: <https://doi.org/10.1101/2020.08.27.20183442>; * Fischer, et al., ASH 2019; ¹ Tomassini V, et al., MSJ 2019;25:1306–1315; ² Kobelt G, et al., MSJ 2017;23:1123–1136; ICU=intensive care unit; CLL=Chronic lymphoid leukemia; MRD=minimal residual disease; HC=healthcare; RMS=relapsing multiple sclerosis; EDSS=Expanded Disability Status Scale; Venclexta in collaboration with AbbVie

Strong short- and mid-term news flow

Diversifying the late stage pipeline and setting new standards of care

Product	Indication	Filing	Population	Product	Indication	Filing	Population
tominersen	Huntington's	latest 2022	~83k	Gavreto	RET+ NSCLC	filed	~2k (Dx+)
gantenerumab	Alzheimer's	2022	~9,300k (prodromal) ~3,600k (mild)		thyroid cancer	filed	~6k (Dx+)
SRP-9001	DMD	latest 2023	~21k	Tecentriq	NeoAdj TNBC	2020	~23k
etrolizumab	Crohn's	2022	~570k (moderate/severe)		Adj SCCHN	2021	~8k
					Adj RCC	2021	~20k
PDS	nAMD	2020	nAMD ~3,600k DME ~4,700k		(Neo)Adj NSCLC	2021/22	~100k
	DME	2022			Adj HCC	2022	tbd
faricimab	DME	2021		Tecentriq + P+H	NeoAdj HER2+ BC	2021	~40k
nAMD	ipatasertib			1L/2L TNBC	2020	~11k (Dx+)	
Actemra + remdesivir	COVID-19	2021	n/a	1L mCRPC	2020	~100 (Dx+)	
				Polivy	1L DLBCL	2021	~51k
REGN-COV2	COVID-19	2021	n/a	tiragolumab + T	1L SCLC	2022	~57k
crovalimab	PNH	2022	~14k	mosunetuzumab	R/R FL	2021	~3k
				glofitamab	R/R DLBCL	2022	~24k
				Venclexta	R/R MM t(11;14)	2022	~6k (Dx+)
				SERD (RG6171)	2L/3L mBC	2022	~74k

■ Neuroscience ■ Ophthalmology ■ Immunology
■ Infectious diseases ■ Oncology/Hematology

Source: Roche/Genentech, incidence/prevalence in the major markets (US, FR, DE, IT, ES, GB); DMD=duchenne muscular dystrophy; nAMD=neovascular age-related macular degeneration; DME=diabetic macular edema; NSCLC=non-small cell lung cancer; TNBC=triple-negative breast cancer; SCCHN=squamous cell carcinoma of the head and neck; RCC=renal cell carcinoma; HCC=hepatocellular carcinoma; mCRPC=metastatic castration resistant prostate cancer; DLBCL=diffuse large B-cell lymphoma; SCLC=small cell lung cancer; FL=follicular lymphoma; PNH=paroxysmal nocturnal hemoglobinuria

Replace and extend the business: Improve on the standard of care

Most significant pipeline advances in a year ever

Replace/extend existing businesses

Entering new franchises

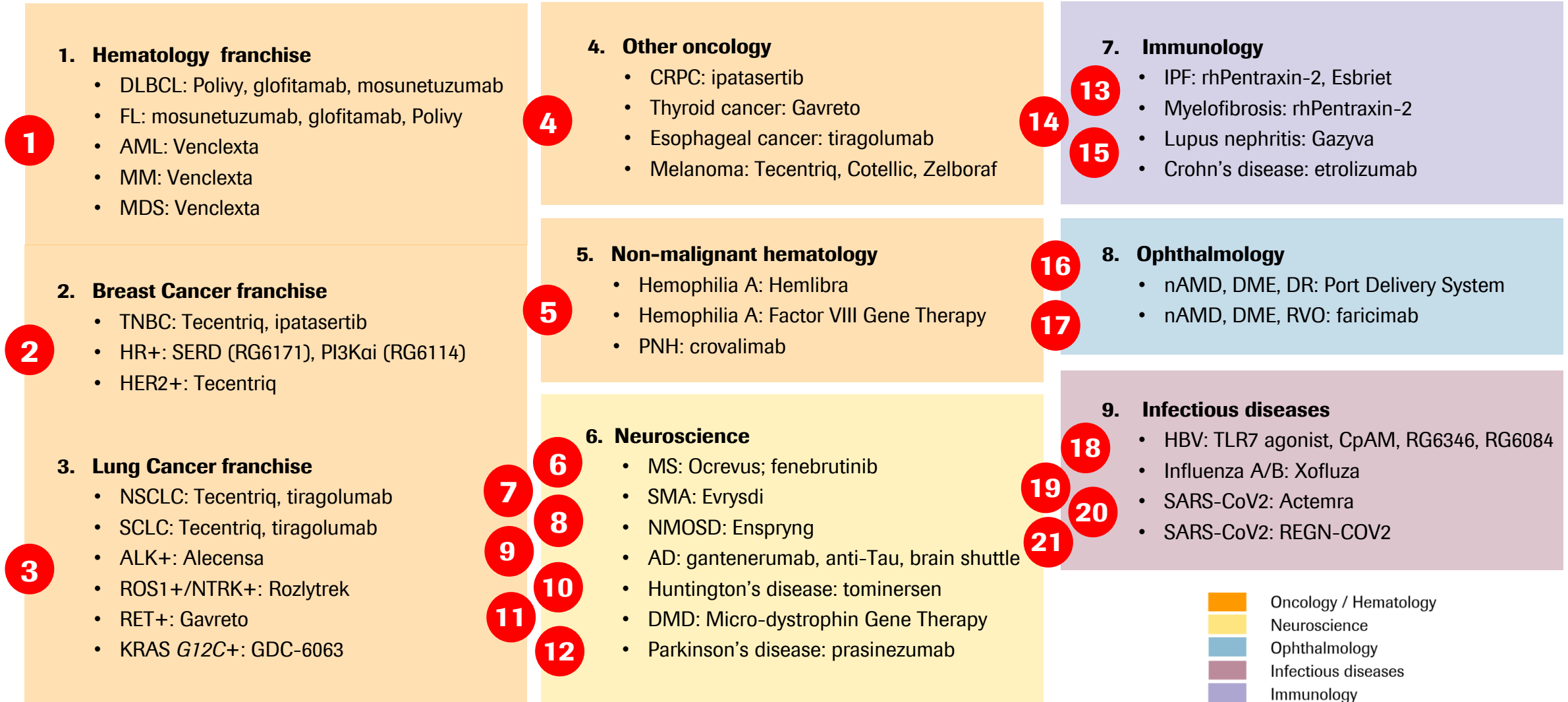
MabThera/Rituxan	Gazyva, Venclexta, Polivy, mosunetuzumab, glofitamab	Oncology: Tecentriq (mUC, TNBC, SCLC, HCC, mM), ipatasertib (mCRPC), SERD (HR+ BC)
Herceptin	Perjeta, Kadcyca, Phesgo	Hemophilia A: Hemlibra
Avastin	Tecentriq, Alecensa, Rozlytrek, tiragolumab	Neuroscience: Ocrevus (RMS, PPMS), Enspryng (NMOSD), Evrysdi (SMA), tominersen (Huntington), gantenerumab (AD), SRP-9001 (DMD)
Lucentis	Port delivery system (PDS) faricimab	Immunology: etrolizumab (CD), Gazyva (Lupus nephritis)
Tamiflu	Xofluza	Infectious diseases: REGN-COV2 (COVID-19)

New pivotal trial starts in 2020

tiragolumab	<i>mNSCLC (SKYSCRAPER-01) ES-SCLC (SKYSCRAPER-02) stage III unresectable NSCLC (SKYSCRAPER-03) locally adv. esophageal cancer (SKYSCRAPER-07/08)</i>
PI3Kai (RG6114)	<i>HR+ mBC (INAVO120)</i>
SERD (RG6171)	<i>1L HR+ mBC, 2/3L mBC</i>
glofitamab	<i>2L+ DLBCL</i>
mosunetuzumab	<i>2L+ FL</i>
Venclexta	<i>1L fit AML, 1L fit CLL</i>
crovalimab	<i>PNH (COMMODORE 1/2)</i>
REGN-COV2	<i>COVID-19 treatment/prophylaxis</i>
Gazyva	<i>Lupus nephritis (REGENCY)</i>
rhPentraxin-2	<i>Idiopathic pulmonary fibrosis</i>
SRP-9001	<i>Duchenne muscular dystrophy</i>
fenebrutinib	<i>RMS (FENhance 1/2), PPMS (FENTrepid)</i>
Ocrevus higher dose	<i>RMS (MUSSETTE), PPMS (GAVOTTE)</i>
PDS	<i>Diabetic retinopathy without CI-DME (PAVILION)</i>

■ Oncology/Hematology
 ■ Immunology
 ■ Ophthalmology
■ Neuroscience
 ■ Infectious diseases

Late stage pipeline update

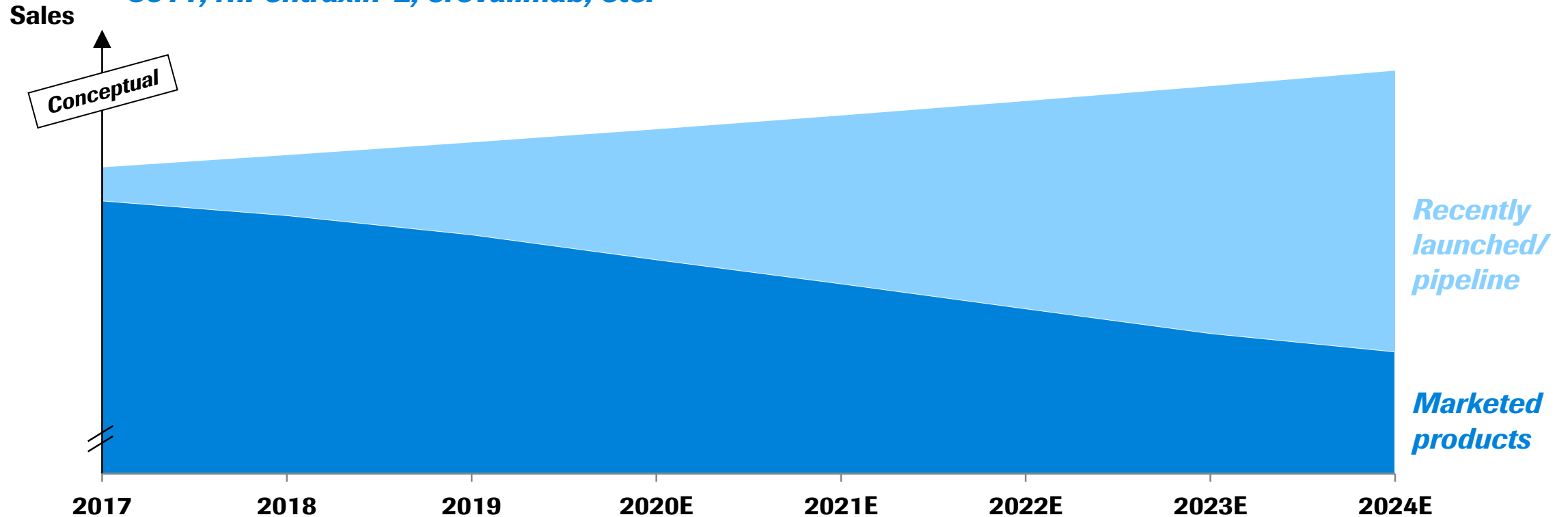


* For further information on target patient populations please consult the appendix; For further details on the late stage pipeline please consult the HY 20 results presentation appendix or visit the IR homepage

2020: Positive outlook re-iterated

NME launches

*Ocrevus, Perjeta, Hemlibra, Tecentriq, Venclexta, Gazyva, Alecensa, Xofluza, Polivy, Rozlytrek, Phesgo, Evrysdi, Enspryng, Gavreto, **mosunetuzumab, glofitamab, ipatasertib, PI3Kai, SERD, tiragolumab, faricimab, PDS, tominersen, gantenerumab, prasinezumab, SRP-9001, SPK-8011, rhPentraxin-2, crovalimab, etc.***



Doing now what patients need next