Group Business Continuity Management Policy

1.   Purpose

Major incidents can disrupt Roche's business, affecting operations as well as employees, patients, stakeholders, communities and the environment. The business success of Roche is reliant upon the preservation of its critical business activities and essential functions used to deliver key products and services. To minimize the impact of disruptions to such activities, Business Continuity Management (BCM) has been established to:

- Define structure and authority to ensure business resilience of key products and services
- Organize efforts to manage through a disruption when the need arises
- Quickly and safely resume business operations after a disruption.

The policy provides a clear commitment to establishing a Business Continuity Management System (BCMS) within Roche that will enable the organization to:

- Act as a socially responsible employer and healthcare supplier by taking reasonable precautions to protect employees, patients, assets, the environment and the business
- Continue to deliver a minimum, acceptable level of key products and services in the event of a disruptive incident, prior to establishing a 'business-as-usual' situation
- Achieve a business continuity capability which is able to provide an effective response to major disruptions and that meets the changing business needs
- Establish a clearly defined framework for the on-going BCM capability.

2.   Business Continuity Management

2.1   Principles

- Continue business operations without unduly putting at risk people, patients and the environment
- Improve the resilience of the organization's infrastructure
- Reduce the operational and financial impact of any disruption
- Continue to provide key products and services to Roche's stakeholders in times of disruption
- Make best use of personnel and other resources in times when both might be scarce
- Manage disruptive incidents according to Roche policies, guidelines and templates
- Manage disruptive incidents locally in the organization whenever reasonably possible
- Aligned with BS 25999 and International BCM Standard ISO 22301.

2.2   Scope

This policy applies to all employees in all locations of the Roche Group. It applies in particular to all Heads of Units/Functions and General Managers at a Functional Level[1].

The scope of Group BCM is reviewed and approved by the Corporate Executive Committee (CEC), annually, or when significant changes in the organization occur. The scope is clearly defined in the Group BCM Guideline.

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[1] Functional Level refers to Divisions, Global Functions, Business Areas/Units, Affiliates and Sites

The overall purpose of setting the scope is to ensure clarity of what areas are included within the BCM Program by way of activities, locations and functions that are essential for the development and delivery of key products and services. The scope is reviewed against the company's strategy, objectives, culture, ethical policy, legal, statutory and regulatory requirements. In addition, consideration is given to what is out of scope.

2.3 Activities

- Identifying key products and services, together with their supporting critical activities, processes, essential functions, premises, employees, resources and environment
- Conducting business impact analyses for key products and services and their supporting activities, processes, essential functions, premises, employees, resources and environment
- Conducting risk assessments and applying risk mitigation strategies to reduce the impact of disruption on key products and services
- Developing plans to ensure continuity of key products and services, at a minimum acceptable level following a disruption and resuming normal operations after the disruption
- Immediately and effectively managing all disruptive incidents
- Managing activation of incident management plans and business continuity plans
- Preparing escalation pathways for decision making and communication from local management to global management, and other impacted stakeholders to ensure effective management of any disruptive incident
- Exercising, maintaining and reviewing plans to ensure that the BCM Program is reliable and fit for purpose, and meets the challenges of evolving business landscapes
- Embedding BCM into the organization so that when disruptive incidents occur, a 'business as usual' situation is achieved in the quickest, most effective manner possible.

2.4 Governance, Roles and Responsibilities - Group Level

At the Group Level, the CEC approves the Roche BCM Policy and assurance measures for group-wide implementation and allocates resources for BCM.

The BCM Governance Committee provides the framework for the implementation of this policy within Roche, supported by a comprehensive set of processes and procedures. It sets reasonable minimum preparation for scope and standards to be met across the Group in order to ensure the desired resilience level. It regularly reviews and assures the BCMS.

The Group BCM Team is responsible to ensure the coordination of the assessment of business continuity risks to critical activities, processes, essential functions and resources, developing and maintaining resilience objectives and strategies, as well as the business continuity preparations and aligning them amongst the Functional Levels. It establishes and maintains the group-wide interfaces, communication channels and alert mechanisms to ensure effective management of any disruptive incident. It fosters awareness, training, and exercising for personnel. It reviews and updates, where necessary, the Group BCM Policy and Guideline as well as the Functional Level Directives and the BCM templates.

At the Group Level, Incident Management and Business Continuity Teams are established.

2.5 Governance, Roles and Responsibilities - Functional Level

At the unit or local level, the Head of Function or General Manager ensures there is a BCM Sponsor who is responsible for local/functional implementation and maintenance of BCM in accordance with the Functional Level, Roles and Responsibilities as set out in the Group BCM Guideline.

Functional Level BCM must comply with Group BCM Policy and Guideline and be aligned with local and other applicable policies/requirements (e.g., community impact or national guidance).

At the Functional Level, Incident Management and Business Continuity Teams are established. Both teams maintain communication with the business continuity organization at Group Level and seek alignment. A disruptive incident is likely to occur first at the Functional Level. Every activation of the local Incident Management Plan is at the same time notified, and if appropriate, escalated to the Group Incident Management Team.

2.6 Assurance

In order to ensure the BCMS remains effective and that all critical business activities are covered and compliant with relevant rules and regulations, the BCMS is regularly reviewed and the findings reported to Management. Conclusively plans for further improvement are developed, where appropriate, and approved by senior management.

This policy was approved by the CEC on 11 November 2013.