



Julia, living with epilepsy



# Sustainability Report 2017



Inspired by patients.  
Driven by science.

# Contents

## Overview

Value for patients	1
Letter to our stakeholders	2
Year at a glance	4
Materiality and responsibility	6

## Responsible and ethical business conduct

Human rights	11
Anti-bribery and anti-corruption	12
Stakeholder dialogue	13
Animal welfare	14
Sourcing, manufacturing and supply chain	15
Recognition and rewards	16
Product responsibility	16

## Building an agile organization

Social and employee	19
Talent	20
Health and safety	25
Involvement with local communities and charities	26
UCB Voices	27

## Environmental stewardship and sustainability

Environmental footprint & compliance	29
Towards carbon neutrality	29
Scope of the reporting	31
Energy	32
Water	33
Waste	33

## Providing access to epilepsy care in resource-poor countries

UCB Societal Responsibility Fund	35
Brothers of Charity – DR Congo and Rwanda	35
Duke University – Uganda	37
Handicap International – Madagascar	38
One Family Health – Rwanda	40
World Health Organization – Mozambique and Myanmar	41
BDC of Red Cross Society of China – China	43
Project HOPE – China	44

## Employee engagement

Access to care	46
Communities	49
Corporate giving	51

## Scope and reporting principles

Sustainability data	54
GRI G4 sustainability indicators	58
Assurance report	66

# UCB: creating value for patients

UCB aims to be the patient preferred biotech leader, creating value for people living with severe chronic diseases, and their families. In addition, UCB aims to be a social and environmentally conscious leader, adhering to the **Sustainable Development Goals** (SDGs).

Creating value for the patient is UCB's way to address patient needs. Our value creation model starts with insights from patients and ensures that our scientific expertise enables us to identify unique solutions. Ultimately our solutions inspire patient's lives and ensure that they can live their life to the fullest.

The Sustainability Report 2017 describes the commitment and the efforts in bringing health and health solutions to patients and their families. Furthermore, it illustrates our commitment to meeting the numerous challenges of environmental requirements, whilst meeting the needs and expectations of patients, communities, policy makers, society and other stakeholders. The SDGs serve as a reference for the company.

The materiality aspects of the company are reviewed thoroughly and comprehensively by the Corporate Societal Responsibility ("CSR") Board.

In September 2017, a new Belgian legislation on non-financial reporting became effective. As relates to the Sustainability Report, this legislation requires the company to report on five CSR areas: **environmental; social and employee matters; human rights; anti-corruption and bribery; and diversity & inclusion**. The first four of these five CSR areas are detailed in this report\*. The additional information for the four areas include the policies, the due diligence processes, the outcomes and the risks, as well as, the key relevant performance indicators (KPIs). The findings of these additional reporting requirements have been embedded in the introduction of the respective chapters within this report. Further information on diversity and inclusion can be found in the **2017 Annual Report**.

The Sustainability Report is prepared *in accordance* with the core criteria of the Global Reporting Initiative (**GRI**) **G4 Sustainability Reporting indicators**. GRI G4 financial indicators will be cross-referenced to the Annual Report, as was done in the previous year.



## 19.5h

Training per employee



## € 7 million

Community sponsorships



## 92%

Electricity from renewable sources



## 50/50(%)

Women/Men



## 88%

Of the employees consider UCB a socially responsible company



## 3

Carbon compensation projects

\* Text is highlighted in grey boxes throughout the Sustainability Report.

# Letter to our stakeholders

## Dear shareholders, partners, colleagues and those living with severe diseases,

In an increasingly constrained external world where innovation is essential, we confirm our patient value strategy to drive UCB's future success and sustainable growth.

UCB achieved strong results in 2017. On top of our fourth consecutive year of revenue and earnings growth, we also achieved our recurring EBITDA<sup>1</sup> / revenue target of 30% – one year earlier. Our ability to build an increasingly differentiated pipeline was demonstrated with key results for Cimzia<sup>®</sup> in women of child bearing age, Evenity<sup>™</sup>, padsevonil and bimekizumab. We further strengthened our scientific platforms. However, 2017 also delivered both external and internal challenges that led to share price volatility during 2017.



Visit of **Jean-Christophe Tellier**, CEO, Myanmar

## UCB achieved strong results in 2017

In the last year, UCB delivered 9% revenue growth, *i.e.* € 4.53 billion, the recurring EBITDA<sup>1</sup> amounted to € 1.38 billion, and we achieved – one year earlier than originally planned – our objective of a 30% recurring EBITDA<sup>1</sup> / revenue margin.

Our key medicines continued to grow. Based on its differentiated profile, Cimzia<sup>®</sup> is keeping up well in a competitive environment. Vimpat<sup>®</sup>, Kepra<sup>®</sup> and Briviact<sup>®</sup> reached more and more patients living with epilepsy, thanks to new indications and launches in new countries. Based on its strong performance, we increased our peak sales guidance for Briviact<sup>®</sup> in the year before patent expiry (2026) from € 450 to € 600 million. Neupro<sup>®</sup> in Parkinson's disease performed as planned.

In 2017, key R&D results demonstrated our focus on increasingly differentiated solutions that show the promise of advancing the standard of care: Evenity<sup>™</sup> results confirmed

Externally, the shift from volume to value is translating at differing speed and in heterogeneous ways across health systems. In addition, several advances in science led to increasing numbers of innovative products being launched, which further pressures healthcare system costs, resulting in decreasing return on pharmaceutical R&D investment.

Internally, Evenity<sup>™</sup> results confirmed unprecedented efficacy although numeric safety imbalance in ARCH presented an unforeseen challenge. The positive bimekizumab Phase 2b results and padsevonil proof of concept results lead to accelerated Phase 3 programs. While supporting UCB's long-term sustainability, at the same time, it put pressure on resources in the short-term.



Visit of **Fabrice Enderlin**, VP, and **Jean-Christophe Tellier**, CEO, Myanmar

unprecedented efficacy; bimekizumab achieved positive and competitive Phase 2b results in psoriasis, psoriatic arthritis and ankylosing spondylitis patients, and we started the Phase 3 program in psoriasis; padsevonil achieved positive proof of concept in highly refractory epilepsy patients and started Phase 2b in February 2018; Cimzia<sup>®</sup> now offers a unique solution to women of childbearing age.

In May, the ARCH results completed the set of data proving Evenity<sup>™</sup> efficacy superiority over the current standard-of-care. It also presented an unforeseen challenge: a numeric imbalance in cardiovascular events. To understand this safety signal which was not observed in the FRAME study, a comprehensive evaluation is underway. Filing of the marketing authorization application with the European authorities occurred as planned at the end of 2017.

To continuously enhance our research capabilities, UCB acquired Beryllium LLC, a small-size research based

company in Boston, MA (U.S.) specializing in protein expression and structural biology. UCB also created a venture fund to support promising but very early or higher risk assets, approaches or technologies underlining UCB's ability to deeply connect with external science and to complement our scientific capabilities in dialogue with new partners.

New patient support programs were launched or expanded. UCBCares<sup>®</sup>, a single customer care point bringing value to patients and health care professionals who contact our company, was implemented across France, Germany, Italy, Spain and the U.K.. In the U.S., UCB Assist connects epilepsy patients with a dedicated case manager to help them.

**"We are very pleased that – after achieving our net debt / recurring EBITDA target of 1:1 two years earlier in 2016 – we achieved our 30% recurring EBITDA / revenue ratio target – also one year earlier than guided – based on the strong growth of our core products. The next years are now dedicated to accelerate growth drivers for the time after 2021 while we reconfirm our commitment to competitive profitability in the mid-term."**

**Jean-Christophe Tellier, CEO**

### **2018 and beyond: growth, sustainability and profitability**

In this context, UCB's patient value strategy is and remains the best route to achieve long-term success.

Our key medicines will continue to grow and will reach more patients through additional launches in new indications or regional expansion. We will continue to invest above the industry average in R&D to deliver breakthrough medicines with compelling value propositions for patients, healthcare professionals and payers and securing UCB long-term sustainability. Thanks to its strong financial foundations, UCB will be able to selectively use its financial and strategic flexibility to complement its internal pipeline with external innovative assets, programs or platforms through partnerships, licenses or acquisitions.

While in the short term we will increase our investments maximizing our new growth drivers for the time after

**Jean-Christophe Tellier,**  
Chief Executive Officer

2021 and to foster long term sustainability we are committed to return to competitive profitability after this and increase our recurring EBITDA / revenue ratio to 31% in 2021. For 2018, we target revenue in the range of € 4.5 to 4.6 billion, a recurring EBITDA of approximately € 1.3 to 1.4 billion and a Core EPS of € 4.30-4.70 per share.

Thanks to the support of the Board, the guidance of the Executive Committee and – most importantly – the commitment of all UCB employees, UCB has successfully transformed into a leading biotech company, inspired by patients and driven by science.

Our trajectory and achievements in recent years, including growth of strategic therapeutic products while divesting non-core assets or activities, provides a solid base for further, sustainable expansion and growth.

**Evelyn du Monceau,**  
Chair of the Board

**UCB's ambition is to be the Patient Preferred Biotech Leader creating patient value for specific populations through unique outcomes, the best individual experience, and improving as many of these lives as possible**

<sup>1</sup> EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization charge

# Year at a glance



## JANUARY

Field visit to our new CSR project in Madagascar where Handicap International (HI) is implementing an epilepsy initiative on building awareness programs for communities to better understand epilepsy.

Implementation of the Green Strategy, an evolution of UCB's Environmental Strategy, with a firm goal of making our operations carbon neutral by the year 2030.



## MARCH

Technical and Supply Operations launch the Green@TSO program, mobilizing all employees to identify opportunities to reduce our ecological footprint.



## MAY

Engaged with renown Senegalese artist, Moussa Sakho, who provides therapeutic art for the mentally challenged people.

Third annual *Walk for Africa* organized in 30 UCB affiliates worldwide, raising over € 10 000, to help support our project in Madagascar.

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## FEBRUARY

Participation in the *Rainbow Bridge* family week-end, together with our partner, project HOPE in China.



## APRIL

*Orchestrate* leadership program engaged six UCB leaders in qualitative research of people living with epilepsy.

Signing of a new three-year agreement with project HOPE in China: the *Rainbow Bridge – Hope and Care for Children with Epilepsy Program*.

## JUNE

14 *Orchestrate* leaders were immersed in qualitative research projects in Rwanda.

Partnership with *CO<sub>2</sub>Logic* and *WeForest*, two sustainability organizations dedicated to reforestation and environmental protection, to coordinate our carbon compensation efforts in the Democratic Republic of Congo (DRC) and Ethiopia.





**JULY**

Reached more than 92% green electricity (generated from renewable sources) – an important milestone!



**SEPTEMBER**

During our field visit to the Boeny region in Madagascar, we delivered two mobile EEG units, which were supported through the partial donation of Cadwell Industries, together with the proceeds from *Walk for Africa*.

A door-to-door survey in Northern Rwanda confirmed the high prevalence of people living with epilepsy of 4.7%.



**NOVEMBER**

*Green teams* now operational in four main sites to help promote green behavior.

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**AUGUST**

Field visit to Myanmar Epilepsy Initiative by Jean-Christophe Tellier, CEO, and Fabrice Enderlin, Executive VP reinforcing our partnership with the World Health Organization (WHO).



**OCTOBER**

Signed sponsorship agreement with KU Leuven for the support of the *Roch Doliveux UCB Paediatric Neurology* chair.

Field visit to Uganda, with our partner Duke University, active at the Mengo hospital in Kampala.

UCB joins United Nation's (UN) Science Based Target Initiative to fight climate change, confirming our commitment to meeting the COP21 ambition.

**DECEMBER**

Field visit to Rwanda by Professor Dr. Paul Boon (Ghent University) to ensure progress of the different PhD programs in neurology.



# Materiality, stakeholder dialogue and responsible entrepreneurship

Sustainability is a corporate responsibility and an integral part of UCB's patient value strategy. Taking into account our Patient Value Strategy and the results of our continued interaction with various stakeholders (internally and externally), the five material aspects of our corporate responsibility and sustainability, first identified in 2015, have been maintained this year. They will be further reviewed to ensure that UCB's sustainability principles are firmly embedded in our corporate strategy, and that we continue to focus on those material aspects which are relevant to our stakeholders and the realization of our strategy. These material aspects are:

OUR MATERIAL ASPECTS		Conducting business responsibly and ethically	P.10
		Building an agile organization to improve access to quality care for persons with severe chronic diseases	P.18
		Accelerating environmental stewardship and sustainability across UCB's world-wide operations	P.28
		Providing access to epilepsy care in resource-poor countries, through active engagement in activities that improve access to care for persons living with epilepsy	P.34
		Encouraging employee engagement in innovative and creative patient and planet initiatives	P.46

## CREATING STAKEHOLDER DIALOGUE



It is UCB's vision to place the patient at the center of its activities when identifying innovative and sustainable solutions, through a socially responsible approach. The inspiration and trust of patients are the basis of our motivation in reducing the access gap to quality individualized healthcare and helping them navigate their often life-long disease journey.

During 2017, UCB continued having meetings with various stakeholders that reinforced the material topics as originally identified above. Meetings were organized at global, regional and country levels and stakeholders engaged without restrictions on the subjects discussed. On average, stakeholder dialogue meetings were organized on a monthly basis in the various UCB operations.



**Alex and Pieter**, UCB meeting Gikonko health center staff, Rwanda



**Alex and Pieter**, UCB discussing with Gikonko health center staff, Rwanda

## LINKING AREAS OF ENGAGEMENT TO MATERIAL ASPECTS AND TO SDG'S

As an organization, UCB subscribes to various initiatives as outlined in the UN's seventeen SDG's, which set a clear benchmark for progress toward a world in which every person will have the right to a healthy life, development, protection and participation. To this end, UCB has adopted a comprehensive review of areas of engagement contributing to economic, environmental and societal sustainability. Twenty-six areas of engagement have been identified, in collaboration with various external stakeholders, that are considered important to the company. These are described within

this report in the five **Material Aspects**, and are also linked to the nine SDG's, as identified below.

All areas of engagement have a significant relationship to our business success, company's reputation and sustainability, and UCB is determined to maintain an open dialogue with stakeholders in different geographies to determine the value and the impact of the areas of action. Considering the importance of the aging population, UCB has included demographic changes as an area of engagement.



Access to medicine, Madagascar



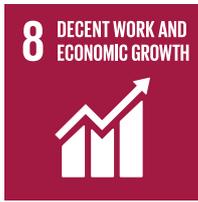
Access to medicine<sup>1</sup>  
 Capacity building in resource-poor countries<sup>4</sup>  
 Demographic change<sup>1</sup>  
 Patient safety<sup>1</sup>



Capacity building in resource-poor countries<sup>4</sup>  
 Demographic change<sup>1</sup>  
 Employee diversity & inclusion<sup>2</sup>  
 Human rights<sup>1</sup>



Employee diversity & inclusion<sup>2</sup>



Anti-bribery and anti-corruption<sup>1</sup>  
 Business ethics<sup>1</sup>  
 Employee engagement<sup>5</sup>  
 Employees<sup>2</sup>  
 Health & Safety<sup>2</sup>  
 Human rights<sup>1</sup>  
 Product and process innovation<sup>1</sup>  
 Sustainability governance<sup>1</sup>



Research & Development innovation and network<sup>2</sup>



Animal welfare<sup>1</sup>  
 Procurement optimization<sup>1</sup>  
 Product life-cycle management<sup>1</sup>  
 Product stewardship<sup>1</sup>



Climate change<sup>3</sup>  
 Environmental protection<sup>3</sup>  
 Green chemistry<sup>3</sup>  
 Resource efficiency and waste management<sup>3</sup>  
 Water stewardship<sup>3</sup>



Reforestation<sup>3</sup>



Intellectual property<sup>1</sup>  
 Multi stakeholder dialogue<sup>1</sup>  
 Sustainability governance<sup>1</sup>

1 Responsible and ethical business conduct  
 2 Building an agile organization  
 3 Environmental stewardship and sustainability  
 4 Providing access to epilepsy care in resource poor-counties  
 5 Employee engagement

# Responsible and ethical business conduct

## (Material Aspect 1)



Conducting business ethically and responsibly is fundamental to UCB's core values. We have a strong culture of integrity, with policies and procedures in place to ensure the highest ethical standards are applied throughout the company's value-chain.

### UCB: A CULTURE OF INTEGRITY

UCB continues to be strongly committed to a culture of integrity, transparency and ethical leadership. UCB's value statement articulates the core principles and values governing how the organization operates and how decisions are made. It serves as a tool to help employees

understand what influences the decision-making process based on integrity, transparency and ethics.

The company's success depends on the integrity of its employees.

### CODE OF CONDUCT

**UCB's Code of Conduct**, available in 14 languages, outlines the expectations of the behaviors of UCB colleagues and establishes the boundaries. The Code of Conduct calls for *Performance with Integrity* outlining UCB's binding principles of business conduct and ethical behavior that is expected from colleagues and third parties acting on behalf of UCB. It includes various topics, such as, conflict of interest, confidentiality, compliance, anti-bribery and anti-corruption, respectfulness, human rights and child labor policies, among others.

The Code of Conduct is a mandatory training that is completed on a biennial basis. 91% of our UCB colleagues completed this training in 2017, not including the new employees, who have two months to complete this training.

The Patient Safety Reporting Module (Safety Reporting Obligations) is to be taken once every two years; this year a total 96% completed the training. The Anti-Bribery and Anti-Corruption training module needs to be completed by a select number of people, of which, 91% had completed the training.

## HUMAN RIGHTS

UCB takes the protection of human rights seriously and is supportive of government initiatives aimed at upholding and promoting human rights around the world. UCB's policy incorporated the **United Nations Global Compact** (UNGC) ten principles on human rights, labor and environment into the company's **Code of Conduct**. In addition, UCB subscribes to the **International Labor Organization's Declaration on Fundamental Principles and Rights at Work**. The Code of Conduct encompasses those different guidelines and is available on UCB's external website, under subsection **Governance**.

A company-wide due diligence process is being deployed to determine the initial and follow-up engagement with new partners, suppliers, etc. More specifically, when a new partner, supplier etc. is identified, UCB conducts an in-depth assessment of specific risks related to a number of critical standards, including human rights

The due diligence process may e.g. impact the decision on engaging with partners, suppliers etc., trigger specific monitoring of third party activities and processes, trigger specific training activities on industry and UCB standards reflected in our Code of Conduct.

Monitoring of partners, suppliers, etc. includes screening of adverse media reporting human rights concerns. These concerns are assessed in full details in order to ensure appropriate decisions, such as non-entering into an agreement or premature ending of an agreement, if substantiated evidence is identified.

At UCB, sufficient procedures and policies are in place to mitigate risk, including anti-bribery, anti-corruption, and no child labor policies, and hence no direct risk of breaches in human rights are identified. However, risks to human rights might be associated with the collaboration of suppliers, partners, joint ventures, among others, and especially in high risk countries.

To date, no event of infringement of human rights has been identified to UCB. In order to measure our success, the relevant KPI's are listed in the **GRI G4 Sustainability Indicators**, category 'Human rights'.

### Slavery and human trafficking

In accordance with the U.K.'s Modern Slavery Act of 2015, UCB is conducting a review of its global operations to identify risk areas in the supply chains. UCB monitors its supply chains and its suppliers to ensure, to the extent possible, that slavery and human trafficking is not taking place within those supply chains; it has in place systems to encourage the reporting of concerns and the protection of whistleblowers.

UCB has utmost respect for human rights and zero tolerance of modern slavery, supported by the ongoing roll out of a new Third Party Due Diligence process in 2017, whereby slavery and human trafficking risks are assessed for new partnerships. No such incidents have been reported or identified so far.

UCB's commitment to ethical compliance and acting with integrity is also reflected in our global **Code of Conduct**.

UCB's Global Internal Audit department periodically audits UCB's operations for potential risks related to the areas described above in accordance with an established rotational schedule.

Furthermore, UCB complies with public disclosure obligations of financial transactions with healthcare organizations, healthcare professionals and patient organizations. Specific obligations are in place in Europe, U.S., Japan, New Zealand and Australia, and UCB strives to comply with transparency regulations and codes where available.

## ANTI-BRIBERY AND ANTI-CORRUPTION



Brooke and Kim, UCB

**UCB's Code of Conduct**, which is part of mandatory training for all UCB employees, includes anti-bribery and anti-corruption (ABAC) standards. In addition, UCB includes these standards in its Business Compliance policy and procedures related to healthcare stakeholders' engagement.

Bribery and corruption risks in the healthcare sector predominantly exists in bribery in medical service delivery, corruption in the procurement value chain, improper marketing relations, misuse of level positions, undue reimbursement claims, and fraud and embezzlement of medicines. These risks of bribery or corruption may arise from UCB employees, as well as, from third parties acting on behalf of UCB.

There are various processes in place to support the ABAC policies, such as:

- specific ABAC trainings for those employees interacting or engaging with external stakeholders;
- systematic process controls of financial transactions to healthcare stakeholders, including review and approval of activities and associated transfer of value by UCB management and/or independent functions, such as, Ethics & Compliance;
- regular monitoring on adherence and effectiveness of those controls are taking place, including monitoring of transfer of values and audit of these by Finance, Ethics & Compliance and Global Internal Audit departments;
- integrity Due Diligence is being deployed across UCB to identify prior history of ABAC standards violation by our potential partners engaging with healthcare stakeholders on UCB's behalf;
- effective monitoring of transfer of value by a systematic review of financial transactions in the form of fee for services, grants, donations or sponsorship of those stakeholders, as well as, non-financial transactions such as organization of business travels and scientific/medical events; and
- any third party, acting on behalf of UCB, and engaging with those stakeholders is expected to and is contractually obliged to respect the highest standards, including the ABAC standards, and such third parties should have internal standards and controls in place or agree to adhere to those defined by UCB, among others.

To date, no corruption or bribery by UCB or selected third parties acting on behalf of UCB have been identified. Reported allegations of individual misconduct have been systematically investigated and disciplinary actions were taken. In order to measure our success, the relevant KPI's are listed in the **GRI G4 Sustainability Indicators**, category 'Social'.

## STAKEHOLDER DIALOGUE

### Relations with public authorities

UCB made no significant corporate political contributions in any of the countries in which it operates. However, UCB Inc. has a federal political action committee which makes federal, state and local contributions to political candidates in the U.S., as permitted by law. While UCB is not reporting significant issues or formal policy positions in 2017, UCB has been developing formal policy positions, and is actively connected with public policy makers, regulators and other stakeholders. In addition, no complaints on data privacy or breach thereof were received.

Countries in which UCB does business have laws and regulations regarding corporations' involvement in the political process. Some of these laws set strict limits on contributions by corporations to political parties and candidates, whereas some laws prohibit them altogether.

In 2017, two complaints were received for a deviation to industry voluntary codes regarding good promotional practices in the U.K. UCB identified appropriate corrective and preventative actions.

In 2017, UCB was not involved in any action regarding laws and regulations relative to anti-competitive behavior, anti-trust or monopoly.

### Relations with industry associations

UCB is a member of several global and local trade associations, e.g., Pharmaceutical Research and Manufacturers of America (PhRMA, U.S.), Biotechnology Innovation Organization (BIO, U.S.), European Federation of Pharmaceutical Industries and Associations (EFPIA, Belgium), Japan Pharmaceutical Manufacturers Association (JPMA, Japan), R&D-based Pharmaceutical Association Committee (RDPAC, China), and International Federation of Pharmaceutical Manufacturers & Associations (IFPMA, Switzerland), among others.

Considering the strategic importance, various taskforces, projects and committees dealing with current sector issues, e.g., Health, Safety and Environment, Intellectual Property, Public Policy, Global Health and Compliance, among others, have been formed that include UCB employees. As an example, Jean-Christophe Tellier, CEO, is Vice President and member of the board of EFPIA, and Treasurer and Chair of the *Innovation* EFPIA Board Sponsored Committees. He is also Deputy Chair of the Innovative Medicines Initiative (IMI) Governing Board, a public-private partnership between EFPIA and the European Union, represented by the European Commission. He is also a member of the CEO Steering

Committee of IFPMA, as well as a member of the Board of PhRMA and BIO, Washington (U.S.), and the Walloon Excellence in Life Sciences and Biotechnology (WELBIO), Wavre (Belgium) to address solutions in the area of innovation, biotechnology and pharmaceuticals.

UCB is a member of the Access Accelerated initiative "a global partnership working towards the UN Sustainable Development Goal target to reduce premature deaths from NCDs by 2030" ([accessaccelerated.org](http://accessaccelerated.org)), which is managed out of the IFPMA offices and for which we make a separate financial contribution over and above our annual IFPMA membership dues. Access Accelerated was launched in January 2017 at the annual World Economic Forum meeting in Davos, Switzerland.

Additionally, UCB is an active member of the EFPIA working group focused on the implementation of the Falsified Medicine Directive (FMD) designed to protect patients by minimizing the chances of counterfeit medicines entering into the established medicines supply chain. UCB is also part of the Transported Asset Protection Association (TAPA), Rx-360 (an international pharmaceutical Supply Chain Consortium) and EFPIA Security Forum, which collaborate with other stakeholders, to allow for benchmarking, jointly identify and discuss solutions, and ensure product integrity and transparency across the supply chain.

UCB is also one of 19 member companies of TransCelerate Biopharma Inc. TransCelerate is a not for profit organization with a mission to collaborate across the Biopharmaceutical research and development community to identify, prioritize, design and facilitate the implementation of solutions to drive efficient, effective and high quality delivery of new medicines. Through TransCelerate, UCB and the other member companies collaborate with patient engagement organizations, health authorities, investigator sites, research community and other industry groups and initiatives globally.

And finally, UCB is also a member of Patient Focused Medicines Development (PFMD), an initiative gathering Patient organizations, pharma companies and other healthcare stakeholders. PFMD's goal is to improve global health by co-designing the future of healthcare for patients and with patients. Its mission is to bring together initiatives and best practices that integrate the voice of the patient throughout the lifecycle of medicines development, thereby speeding up the creation and implementation of an effective, globally standardized framework as well as the necessary tools and support to allow the adoption of the framework by various stakeholders.

## ANIMAL WELFARE

Animal studies are a critical aspect of medical research, both for generating new breakthroughs in experimental research and to ensure maximum safety of new treatments before they are used in human subjects. UCB acts as a responsible company in the management of animal welfare, and has taken appropriate steps to ensure that all of its laboratories and research units involved in animal studies adhere to established standards and policies, which are based on the latest scientific findings.

Two UCB research sites in the U.K. and Belgium are conducting animal studies and both have established an Animal Welfare and Ethics Committee, responsible for maintaining the highest animal welfare standards. These committees also review all newly proposed project licenses involving animals, to determine whether the experimental work is necessary, whether the objective of the work can be accomplished without using animals and whether the animal welfare standards to be applied are sufficient to minimize any suffering.

UCB is committed to the responsible and appropriate use of animals in medical research, and complies with all applicable laws, regulations and industry standards.

### Research site U.K.

The U.K. research site in Slough is in full compliance with the U.K. Animals (Scientific Procedures) Act 1986, which includes the EU directive 2010/63/EU. The Home Office's Animals in Science Regulation Unit regularly visits the site, often unannounced, to ensure that high animal welfare standards are maintained. Wherever possible, we endeavor to replace the use of animals in research with non-animal alternatives, reduce the number of animals required to achieve scientifically robust results and refine procedures to minimize suffering (the 3Rs of replacement, reduction and refinement). UCB is also actively involved with **NC3Rs** (U.K. National Council for Replacement, Refinement & Reduction of Animals in Research), for example by co-funding a program manager to oversee several 3Rs based projects supporting the pharmaceutical field and by membership of specific projects, often involving other global pharmaceutical companies, to scientifically re-

evaluate some of the current toxicology testing strategies and ensure best practice is defined. UCB is also involved in other consortia working either directly or indirectly in support of replacement, reduction and/or refinement of animal use.

UCB is also one of over 100 companies who has signed the **U.K. Concordat on Openness on Animal Research**. Signatory companies commit to ensuring that members of the public have accurate and up-to-date information about what animal research involves and the role it plays in the overall process of scientific discovery and treatment development, how such research is regulated in the U.K., and what researchers and animal care staff do to try to promote animal care and welfare, reduce animal usage and minimize suffering and harm to the animals.

### Research site Belgium

At our Belgian research site located in Braine-l'Alleud, UCB continues to maintain accreditation of the Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC). This private non-profit association promotes the responsible treatment of laboratory animals through voluntary accreditation and assessment programs, and AAALAC accreditation represents a label of quality and of high professionalism in terms of animal care and use. Animals used in studies are housed in optimal environmental conditions where stress is kept at the lowest level possible. AAALAC accreditation also fosters continuous improvement of scientific excellence in animal experimentation and research.

### Animals used for research in 2017

Due to the progressive implementation of *in silico* and *in vitro* technologies, the number of animals used in research studies by UCB has continuously decreased over the last ten years, with a new 19% decrease in 2017.

A total of 98% of all animals used by UCB researchers and contractors are rodents, with non-human primates, dogs, llamas, and rabbits accounting for the remaining 2%.



# 98%

Of all animals used by UCB researchers and contractors are rodents

## SOURCING, MANUFACTURING AND SUPPLY CHAIN

UCB is committed to fostering ethical and responsible practices in our supply chain, while ensuring that our sourcing, manufacturing and supplier relationships and partnerships deliver growth and competitive advantages.

A comprehensive global network ensures the adequate supply of quality medical products that are important for people living with severe chronic diseases. The supply chain is a functionally organized entity with strong centralized governance and with direct links with UCB's

departments, related product-franchises and with commercial geographies.

The key value in the manufacturing, supply and purchasing departments is an effective governance of the external network of suppliers, contract manufacturing organizations (CMO), contract laboratories, carriers, third-party logistics and commercial distributors, whereby risk management is a major component.

### THE SUPPLY CHAIN AT A GLANCE



Colleagues in the purchasing department operate in 20 countries overlooking 21 580 different suppliers, predominantly in eight countries, *i.e.*, Belgium, China, Germany, Japan, Spain, Switzerland, U.K. and U.S.

The Supply Chain Security Council overlooks the responsible supply chain management and holds manufacturing and supply partners to high-quality standards. The Council reviews product and supply chain security and enforces UCB's global anti-counterfeiting strategy to ensure the patient's and public health. The cross-functional team is also responsible to detect, mitigate, address, and prevent risks originating from potential adulteration, theft, counterfeit or diversion of products that may threaten patient safety.

UCB applies similar standards for quality and effectiveness to technically complex formulations and specific packaging produced in our own global manufacturing and in our contract manufacturing organizations. The supply management involves adequate supply chain planning, inventory and

transportation/delivery management, temperature control management, logistics service providers and logistics security, ensuring sound environmental health and safety conditions, dangerous goods compliance, and global trade management.

UCB signed the Science Based Targets initiatives, which implies Green House Gas (GHG) emission targets supporting the COP21 ambition (to maintain the increase of the global temperature by the end of the century to well below 2°C) will be defined for our entire value chain, thus including the external network of suppliers, contract manufacturing organizations (CMO), contract laboratories, carriers, third-party logistics and commercial distributors.

Through the serialization program an additional control and authentication across the supply chain is guaranteed while our trade programs manage partnerships with our distributors to help protect our medicines and to ensure integrity of those medicines up to the patient.

## RECOGNITION AND REWARDS

The company is seriously committed to access to inclusive healthcare, reducing the treatment gap for underprivileged people, capacity building and continuous education and to performing business ethically and responsibly.

UCB's efforts were recognized in 2017 by the London Stock Exchange's **FTSE4Good Index**, **ECPI** and **Corporate Knights**.

The EURORDIS Company Award has been awarded to UCB in recognition of our leadership in championing

patient engagement via an Innovative Medicines Initiative (IMI) project called PARADIGM. In addition, UCB Iberia has won the 'Best Ideas' Award for their 'Neurology Educational Center Program' (known as 'CEN'), an initiative to help patients with Parkinsons disease by improving their quality of life.

Finally, UCB colleagues in China received the 'Best Company Award 2017' at the Best of BenCham Award Ceremony, in 'recognition of UCB's Patient Value Strategy and impact on society'.

## PRODUCT RESPONSIBILITY

### Promotion and Sales

UCB complies with all applicable laws, regulations and industry codes, e.g., Directive of the European Parliament, EFPIA, IFPMA and PhRMA, among others.

UCB's interactions with healthcare professionals focus on providing and exchanging information with the ultimate objective of enabling healthcare professionals to select the most appropriate treatment for their patients. These interactions are based on standards of ethics, integrity and fair market value.

In 2017, no substantiated customer data privacy complaints were identified and no breaches or loss of customer data have been reported or identified through internal monitoring and audit activities.

### Marketing Communications and Unsolicited Medical Information Requests

Promotional, press and scientific communication relating to our compounds and products are submitted to the global or local promotional scientific review committees, with members duly trained.

In 2017, a total of 853 global communications were reviewed. UCB has internal processes to respond to each and every unsolicited medical information request.

UCB has defined internal processes to respond to each and every unsolicited product-related information request. In 2017, UCB received an average of 7 126 product-related questions per month.



# 853

Global communications were reviewed in 2017

### Customer Satisfaction

In 2017, UCB continued different satisfaction surveys for patients and healthcare professionals. These surveys are executed by an external party and/or customer facing employees. We measure transactional satisfaction (after congresses, scientific meetings, interactions with UCB cares, etc.) as well as relationship satisfaction (asking about the customer's overall satisfaction with the company).

While the results of the patients' and healthcare providers' satisfaction surveys are overall positive, results are considered proprietary and, as such, are not publicly reported.

### Patient and Drug Safety

All of UCB's products are subject to an ongoing benefit-risk assessment to ensure product labeling is kept up to date.

One critical obligation of UCB and its colleagues is the monitoring of the safety profile of our products. Like other biotech companies, every year UCB receives thousands of adverse event reports. These reports, along with other internal and external data (e.g., literature, external databases, etc.), are reviewed and analyzed by our safety teams in order to identify potential safety signals which may be associated with our medicines. The objective of these reviews is to help ensure that the benefit-risk profile of our medicines is clearly

communicated and to ensure appropriate actions are taken to minimize potential risks to patients. These benefit-risk assessments, including product labeling, are reviewed at a multi-disciplinary benefit-risk board at regular intervals (*i.e.*, yearly, or every other year, depending on product risk tier).

In 2017, 100% of the product profiles that were required for review were assessed. In accordance with regulations, UCB provides information about individual adverse event reports, periodic summary reports, and benefit-risk assessments to the health authorities. UCB is committed to public health and adheres to a high standard of professional and personal integrity.

UCB has put processes in place for the continuous and systematic review of the benefit-risk profile of all products in its portfolio, including those that are on the market and still in development. These processes are designed to ensure the best possible safety and therapeutic benefits for patients. The efficiency of the processes and compliance to regulations are periodically assessed by the Corporate Quality organization. In case risks are identified, appropriate preventive and corrective measures are implemented.

UCB does not sell any products that are banned in a particular market. All UCB products comply with drug regulatory and safety requirements.

# Building an agile organization

## (Material Aspect 2)



At the core of UCB's mission is the improvement of the life of people living with severe chronic diseases, including enhanced access to existing treatments, a tailored design, and clinical development of new molecules and solutions for patients. It is for this reason that attracting the right talent is paramount to our patient-centric business model.

Adapting a holistic view of patients and their access to quality care resulted in a new business model with an alignment of UCB's talents, tailored to enhance accountability, responsibility, preparation of and engagement for the future, as well as, to advance sustainable growth and opportunities. Employees are focused on creating value from medical and scientific

innovation for people living with severe chronic diseases. Understanding and shaping knowledge about disease mechanisms at their genetic, cellular and physio-pathological level is critical to advancing breakthrough treatment choices. This interconnecting innovation is critical for accelerating the sustainability of quality care.

## ORGANIZATIONAL CAPABILITIES

UCB further strengthened the organization to become the patient preferred biotech leader. The shared purpose *create value for patients* is the foundation of our inspiration and influences our behaviors: acting responsibly, being accountable, being engaged and demonstrating agility.

With this ambition at the core, decisions are looked at afresh by each function considering an overarching

principle that the patient is at the heart of UCB processes and planning. The workforce is organized into four *Patient Value Organization* pillars. UCB adopted this approach to enable a proper resource allocation, to foster cultural diversity, and to integrate and exhibit strong and inclusive leadership, in order to support the execution of the company's vision.

## SOCIAL AND EMPLOYEE



Colleagues engaging in Ethics interactive session, UCB

At UCB we have implemented a number of social and employee policies that establish boundaries for acceptable behavior and guidelines for best practices in certain work situations that are in line with our culture. Some of these policies are listed below:

- Code of Conduct
- Anti-Bribery and Anti-Corruption
- Business Compliance Policy
- Acceptable Use of IT
- Global Policy on the Protection of Personal Data
- Compliance Policy
- UCB Health, Safety and Environment Policy and Global Standards
- Policy: Personnel and Training

The Workforce Engagement is managed and continuously improved by different processes, including, but not limited to:

- robust annual human resources processes that optimize talent development opportunities, drive performance and ensure appropriate organization planning such as future capability building and succession;
- development and regular review of the total reward offering to ensure balanced, competitive remuneration that drives desired outcomes in support of the company strategy, as well as ensuring that employees and their family are adequately covered during some key life events;
- employee performance reviews including the articulation of expected values and behaviors;

- development discussions and plans supported with adequate and continuous employee learning opportunities (training & education offerings, as well as, on-the-job learning, coaching and mentoring);
- periodic employee engagement survey feedback; and,
- well-being initiatives across sites and affiliates, including for instance health screening campaigns, burn-out awareness, occupational health facilities, healthy food options, flexible working arrangements, employee support programs, and core employee benefits such as medical insurance, among others.

At UCB, the principal social and employee risk is the challenge to attract, retain and engage key leadership profiles and critical expertise in a highly specialized, highly-regulated, complex industry and in a competitive talent market. This could result in a loss of collective capability, impacting operational efficiency and strategy implementation, leading to sub-optimal results.



Onika, François, Carola and Maria, UCB

In addition, the risks associated with a workforce that is not adequately aware of the specific compliance requirements related to their roles, departments or the biotech environment as a whole, which in turn can lead to reputational and regulatory risks for the company and the development and production of its products. This also includes fiduciary risks and data

security risks, e.g., malware attacks and management of confidential and sensitive data.

Finally, the risk of not being able to provide a healthy and safe environment where employee wellbeing is not adequately supported or promoted, or where workplace dangers are not managed or sufficiently outlined to the workforce, leading to safety incidents or sub-optimal health of employees, both physical and mental.

The outcomes of the social and employee policies described above are numerous. These include (1) a reduction and mitigation of social and employee risks; (2) a workforce that operates in line with defined company values, leading to a healthy company culture where employees can thrive and perform to their best ability; (3) an increased employee engagement, leading to greater

discretionary effort and a higher level of strategy deployment; (4) continuous development and retention of UCB talent leading to greater organizational capabilities, innovation and competitive advantage; (5) an increased understanding of the business and compliance environment, leading to increased ethical and compliant behavior and practices; (6) safe and healthy employees that can function in a positive working environment; and (7) focus by employees on delivering UCB's patient strategy, with the assurance that they, and their family, are appropriately covered in case of sickness, disability, death and retirement.

In order to measure our success, the relevant KPI's are listed in the [GRI G4 Sustainability Indicators](#), categories 'Employee engagement' and 'Labor practice and decent work'.

## TALENT

UCB fosters diversity of its talents. It is pivotal for UCB to engage dedicated staff to execute strategies in a highly connected, collaborative, innovative and learning way to

enable UCB's goal to deliver superior and sustainable value for patients.



**Talent, culture and integration**

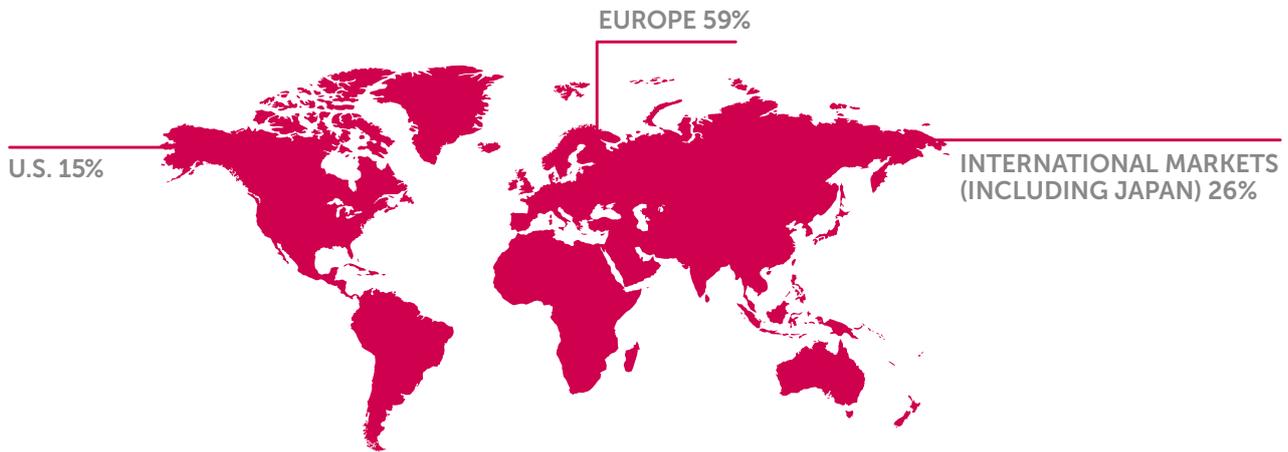
At UCB, we consider cultural integration essential. To this end, certain measures have been implemented across our affiliates to ensure cultural diversity and integration that facilitates the understanding of decision-making processes, the setting of priorities, and human

interactions. It also accelerates acceptance, integration and the creation of an intense network, the fundamental basis for supporting UCB business objectives. In accordance with this belief, UCB staff from various countries have also taken assignments in different parts of the world.



Number of countries in which UCB is present

**EMPLOYEES PER REGION**



**Talent and leadership development**

In 2017, UCB continued the leadership development programs in order to help prepare UCB’s new and existing leaders for successful performance in future roles. The programs bring together leaders across the entire organization in a learning context where they are faced with business and leadership concepts, allowing them to feel better equipped for current and future leadership roles. The learning journeys are 6-9 months, allowing participants to network, collaborate, and learn from each other, thus creating an alignment in how they live and lead our Patient Value Strategy.

The *Accelerate* program has been completely redesigned this year, enabling our first line leaders to better live and lead our Patient Value Strategy. Contrary to previous years, we now welcome both direct and indirect leaders, in order to adapt to the evolving requests of our organization. Eighty people started this new course, whilst another 75 completed our previous

version. In total, 830 colleagues from across UCB participated in the past five years.

The *Navigate* program expands on a transition from manager of others to manager of managers or functional leadership; the program is now under design, in order to ensure better alignment and consistency amongst all our leadership programs and our Patient Value Strategy. In total, 310 leaders completed the course in the past five years.

This year, CSR activities were again integrated in the *Orchestrate* leadership program, as it was important to create a platform for sustainable and entrepreneurial leadership behaviors. The *Orchestrate* program continued its success from previous years, engaging 20 future UCB leaders, with a total of 72 participants included in the past five years. Participants were exposed to social entrepreneurship, innovation and collaborative economics in San Francisco, to CSR responsible entrepreneurship patient-activities in remote parts of China and Rwanda, and they finished the journey with a deep focus on self-

awareness, humility and authenticity as leaders of the organization. Groups focused predominantly on:

- creating value for two CSR initiatives by applying socio-cultural anthropology in understanding the public health and individual health needs of underprivileged people living with epilepsy;
- carrying out ethnographic research by observing and conducting interviews with small groups of people in order to understand the multifactorial aspects of disease;
- interviewing people living with epilepsy, their family, community members, community health workers and traditional healers about the meaning of, beliefs, feelings, and practices concerning epilepsy.

Without exception, all *Orchestrate* participants were impressed, often humbled, and showed prodigious

sensitivity to the needs and future of patients living in resource-restricted settings.

### Talent and diversity

At UCB, employee engagement and an inspiring working culture are vital.

In 2017, employee engagement continued to be high and built on what brings our people together – UCB's dedication to bring value for patients – by leveraging the broad diversity of talents across the world.

An efficient working culture demands active sharing and collection of insights from patients and other stakeholders. A natural inspiration of sharing to connect, collaborate, co-create and co-own a different future of a sustainable well-being in society is of paramount importance to us all.

## Diversity & Inclusion

UCB continues its Diversity & Inclusion initiatives in several countries and on different levels of the organization with the ongoing support of top management. UCB's ability to understand the way of working across nations, cultures and education, and our deep and authentic commitment to create value for people living with severe disease, builds the company that unites us.

UCB's determination to accelerate diversity and inclusion and to provide equal employment opportunities is integrated into the cultural agenda and is considered a strength of the company. We recruit and develop talents from all around the world hosting 76 nationalities in our global offices. A growing percent of our global workforce has a manager located at a different site. A deep understanding of cultural conditions is therefore important and colleagues are invited to reflect and to integrate cultural differences and diversity in their daily activities.

With full commitment of the top management, we will in the coming years continue our cultural journey, focusing on cultural openness and fostering a climate of inclusiveness and constant learning.

UCB progressed the women-men representation at executive level from 16%-84% in 2008 to 29%-71% in 2017.

In countries with staff above 150 people, *i.e.*, Brazil, China, Germany, Japan, Mexico, Switzerland, U.K. and

U.S., 82% of the leadership teams are from within the country and the split between women and men is 36% and 64% respectively. This is similar to the data from 2016.

At the end of 2017, the women-men representation at the Board of Directors was 31%-69% and at the Executive Committee was 25%-75%.

### Talent and communities



**Charl van Zyl** meeting Youngsters, UCB

In 2016, UCB colleagues created the *Youngsters* community – a gathering of young professionals striving to create a dynamic and innovative environment where trust, collaboration, and collective intelligence bring value for patients, UCB, and for themselves. Over 343

colleagues of all ages and backgrounds across the organization are part of this engaged internal and informal platform where they can share their inputs and learnings in order to get inspired and connected with each other. In 2017, the *Youngsters* continued to host open discussions with members of the Executive Committee, as well as, cross-functional workshops to increase their business understanding and share their voices and opinions. Additionally, diverse activities were held to co-create and define the future of the community and find new ways of bringing more value to patients and UCB as early stage career professionals.



Hakim, Sahidé and Ayse, UCB

**Talent and review**

Talent and Organization Review process is designed to identify key talents in our organization and produce action plans to develop, retain and engage them. The process also results in a view of our talent pipeline to identify and prepare successors for our most business-critical positions. Ultimately, it supports the long-term success of the company. Managers play a critical role in this process and directly benefit from it. It also enables the identification of capability needs for the organization.

A total of 5215 employees were subject of the 2017 Talent and Organization Review, completed in November 2017. A total of 1 842 employees were



Top talents identified by UCB amongst employees reviewed

Their active participation in the World Osteoporosis 2017 day resulted in creative activities.

Ten *Green Teams* have been set up at a total of four different UCB sites. *Green team* members volunteer to work on projects which raise awareness about the impact our daily activities (at work but also elsewhere) have upon the environment. An eyeopener was the *Cups Project* organized at the Slough Site. Colleagues were invited to guess how many cups were used at the site on a single day, how many used cups were recycled correctly, and how many were put in the general waste bin, hence lost for recycling.



Green teams distributing reusable bottles, Belgium

identified as high potentials, with 262 employees as Top Talents.

UCB is also driven by a high performance culture. Therefore an annual Performance Management process is in place allowing employees to concentrate on value-driven actions and outcomes, and directly seek continuous feedback to contribute to UCB's Strategic Priorities throughout the year.

By the end of January 2018, the contributions of 93% of UCB employees were assessed within the Year-End Performance Review stage. Employees are rewarded and acknowledged for their individual contribution to the company's success.



Of UCB's employees were assessed within the Year-End Performance Review stage

## Talent, training and knowledge sharing

Training initiatives and knowledge sharing are pivotal in the development of our colleagues.

Every year, the training community creates programs targeting personal and technical development to ensure UCB has the essential skills to move forward in our journey to be the patient-preferred biotech leader transforming lives of people living with severe chronic diseases. Training and development is the basis of personal development and developing new competencies as well as continuous improvement for our people.

UCB continues to apply a blended approach to training. While much of the training consists of interactive online training and instructor-led or classroom training, UCB also provides on-the-job experiences and coaching and mentoring.

In 2017, UCB invested € 13.1 million in training and development of our colleagues. On average, our employees benefitted from 19.5 hours of training (training hours for women and men are 44% and 56% respectively), representing a total of 159 100 hours. A total of 2 857 hours were spent on the Code of Conduct training that includes human rights policies relevant to UCB.

Two new mandatory trainings, Malware and Phishing Awareness, were introduced with 89% of employees having successfully completed both of the modules.

In addition, a new version of Data Privacy training was implemented, also with 89% of employees having completed their training.

## Well-being at Work

UCB creates a positive and creative environment where both the individual and company objectives are met and people are encouraged to express their talents and acquire new skills.

The well-being program, based on five key drivers: *information, prevention, physical health, mental health and having a good day at work*, continued in numerous UCB sites.

## Inspace

*Inspace* is a key initiative associated with UCB's Patient Value Strategy journey, helping the company to think about its ways of working and living together. At UCB the aim is to be more innovative and collaborative. The new workspace created by the *inspace* project will allow colleagues to interact smoothly with each other, to be

inspired by peers to try new approaches, to work in an environment that fits a variety of needs, to be spontaneous, and to feel stimulated to co-create and share knowledge.



Jérémie and colleagues during *inspace* workshop, UCB

On the building side, *inspace* will ensure a right balance between energy, engagement and exploration by offering four different spaces, with different levels of interaction, noise, light, materials and furniture. While these spaces are created, all colleagues are being invited to various workshops, during which the following questions are discussed: which changes in the ways of working will the new workplace bring?; what's expected on the mental, physical and virtual level?; how will colleagues best collaborate with each other?; which work environments will most likely give or take energy?; how will the concept of team cohesion need to evolve? Sessions are run in a participative workshop style, where open discussion and feedback are key elements of success – in line with UCB's culture.

*Inspace* will be created at UCB's headquarters whose spaces will be progressively transformed; the first teams will join the new work environment in April 2018. UCB's new office in Beijing has been created in an *inspace*-style and an analysis is on-going at our Atlanta site and other UCB sites may follow if an opportunity arises.

**inspace**  
Our space for collaborative inspirations

## HEALTH AND SAFETY

During 2017, UCB continued managing risk areas identified during regular health and safety reviews, also performed at key contract manufacturing organizations.

A three-year program to create intrinsically safe installations and to improve employee training launched in 2015, was continued in 2017.

A number of specific social and employee policies and processes, relating to Health & Safety, have been implemented at UCB. These include:

- implementation of certified Health & Safety management systems at industrial sites, to help manage risks appropriately;
- periodic emergency exercises, also involving external intervention teams, undertaken to ensure the readiness and suitability of our Health & Safety program;
- performance of regular internal and external inspections, reviews and consultations resulting in appropriate actions for improvements where necessary.

In addition, minimum global health & safety requirements are being defined to ensure consistent application across the Group. Health & Safety criteria are also being included in global engineering standards (for awareness and overall consistent application of standards). A first three-year roadmap for strengthening the occupational hygiene program yielded the necessary positive results.

Due to the inherent nature of any industrial safety program (e.g. potential non-compliance or human

error despite rigorous safety measures), there is a potential risk of endangering employees, assets, or the general public (surrounding communities) leading to potential loss of life and/or increased legal and regulatory exposure, potentially resulting in a negative impact on UCB's reputation.

Even though the installations and high-technology equipment are by design increasingly safe and health & safety management systems and procedures are applied, 'safe behavior' is actively promoted. At the Bulle, Slough and Zhuhai sites, the systems are OHSAS18001 certified. The targeted outcome is an increased safety awareness and a reduction of number and severity of potential accidents involving UCB employees or other stakeholders present at or living near UCB operations.

Building upon the *Take a Second. Safety First* behavioral safety campaign (aimed at raising awareness about key causes of accidents) that was launched in 2015, UCB launched the *You can change the Story* campaign this year, inviting all employees to proactively report on and act upon any dangerous situations they might observe at UCB.



Next steps include (1) the roll-out of a global *Wellbeing* strategy aiming *i.e.*, at an increased H&S awareness and ownership at all UCB operations, (2) the assessment of the cultural maturity of the H&S programs at all industrial sites, and (3) the launch of behavioral safety programs at all industrial sites (building upon the abovementioned campaigns launched in 2015 and 2017).

Performance-wise, the Lost Time Incident Rate (GRI-G4 LA06) for 2017 was calculated at 1.48 incidents with more than one day of absence per million hours worked. The Lost Time Severity Rate (GRI-G4 LA06) was calculated at 0.04 days lost per 1 000 hours worked. In 2017, no fatalities occurred as a result of work-related incidents. UCB has no operations whereby workers show high incidence or are exposed to high risk of occupational diseases.

## INVOLVEMENT WITH LOCAL COMMUNITIES AND CHARITIES

As part of our commitment to patients, UCB supports a number of programs for patients and their families.

In 2017, UCB spent more than € 7 million in community sponsorships and charitable donations worldwide, including € 1.6 million for the CSR patient initiatives. This

also includes an exceptional € 1 million grant provided to the UCB Societal Responsibility Fund of the King Baudouin Foundation to support CSR initiatives, reaching people living with epilepsy in resource-poor countries.



€ 7 million

Community sponsorships

## UCB VOICES



Iris, Amber, Stella and Carrier, UCB

UCB Voices, a unique global employee engagement survey, was organized for the 7th time in 2017, in collaboration with Willis Towers Watson.

This year again, the results were remarkable: the 85% participation rate indicates that our colleagues worldwide recognize the importance and added value in participating in this survey, which allows them to share their unique view on the company's strategy and culture, on the leadership and management, and on their role.

The feedback collected through the survey was shared with UCB leadership and subsequently with all employees on three global conference calls, generating further dialogue around possible areas for improvement, at every level of the organization.

The icons below compare the percentage of favorable responses at UCB versus the Willis Towers Watson High Performance Norm (WTWn), an external benchmark comprising 29 best-performing corporations.



**88%**

I think UCB is a socially responsible company

(86% WTWn)



**82%**

UCB fosters workforce diversity and inclusion

(84% WTWn)



**88%**

My manager understands the importance of work/life balance

(n/a WTWn)



**82%**

UCB operates, engages and interacts with its different stakeholders in a transparent and ethical way

(91% WTWn)



**92%**

I understand how my work impacts patient value

(95% WTWn)

# Environmental stewardship and sustainability

## (Material Aspect 3)



UCB's goal is to develop and produce medicines for people with severe diseases in the most environmentally sustainable way possible. To this end, UCB is determined to meet the ambitions set forth in the *Paris Agreement* reached at the 21st session of the Conference of the Parties (COP21), as demonstrated through the signing of the *Science Based Targets Engagement Letter*.

Part of UCB's strategy is to significantly reduce our carbon footprint, our water consumption and our waste production. A stringent and comprehensive action plan to render the operations we control directly carbon neutral by 2030, was endorsed by the Executive Committee in 2016. Absolute targets to reduce GHG emissions by 35% by 2030 and by 70% by 2050, as well

as to reduce water consumption by 20% and waste generation by 25% by 2030 were defined.

Our ambition, as well as, our support to the Paris Agreement, were underscored through the signing of the *Science Based Targets Engagement Letter* by CEO Jean-Christophe Tellier in July 2017.

A stringent and comprehensive action plan to become carbon neutral by 2030, including reduction and compensation mechanisms, has been endorsed by the Executive Committee.

## ENVIRONMENTAL FOOTPRINT & COMPLIANCE

UCB applies the precautionary approach in innovation and development of new products as a tool for patient safety and environmental risk management, and considers the benefits and potential health and environmental risks of innovation and new technologies in a scientific and transparent manner.

In 2016, we strengthened our corporate environmental strategy by adopting absolute targets aimed at reducing the footprint of UCB's most significant environmental impacts: the emission of Green House Gases, water depletion, and waste generation. In 2017, we accelerated the translation of this strategy into concrete action programs.

Currently, ISO-certified environmental management systems are implemented in our research and production sites in Slough, Braine, Bulle and Zhuhai. An ISO-compliant environmental management system is implemented in our production site in Saitama. The systems are used to ensure regulatory compliance and to continuously improve our environmental performance, focusing on the three areas that matter most.

### Climate Change (Regulations)

As relates to our most significant environmental impact, the continuously changing and new or emerging regulatory requirements aimed at mitigating climate change, by driving the transition to a low carbon economy, may potentially adversely impact UCB's compliance status with the applicable regulations and value chain encompassing negative impact on UCB's reputation.

The international (political) debate around Climate Change resulted in the *Paris Agreement (COP21)* in late 2015. 197 countries, including all leading economies, engaged to take the necessary actions to limit the rise of the global temperature to well below 2°C. So far, 170 countries actually ratified the agreement.

The COP21 ambition includes a reduction of GHG emissions by at least 25% by 2030 through a combination of policy and regulatory measures and market-based mechanisms, which most likely will impact future business practices and investments. It may result in the need to tailor actions to meet specific emerging (regulatory) requirements that may be introduced at local, regional and/or national level. It may also result in an increased cost of carbon in the value chain.

The expected outcomes of our strengthened environmental strategy include:

- a reduced environmental footprint;
- improved employee engagement;
- reduced operational expenditure; and,
- reduced exposure to taxation schemes or other regulatory requirements impacting compliance and/or cost of goods.

In order to measure our success, the relevant KPI's are listed in the [GRI G4 Sustainability Indicators](#), category 'Environment'.

## TOWARDS CARBON NEUTRALITY

It is UCB's ambition to render the operations we control directly carbon neutral by 2030. This ambition includes all of UCB's scope 1 and scope 2 emissions, as well as, part of the scope 3 emissions, covering activities performed at UCB sites (e.g. product research, development and manufacturing), the distribution of UCB products, devices and packaging put on the market, UCB's car fleet, business travel, employee commuting, etc.

Our actions will be based both on carbon reduction and carbon compensation mechanisms. As a guiding principle, 80% of our efforts will relate to the reduction of our GHG emissions, whilst 20% will be devoted to carbon compensation. As part of the Science Based Targets initiative, objectives for the scope 3 emissions, which are not yet included in the scope mentioned above will be set in 2018. These will mainly relate to our suppliers and contract manufacturing partners.

## ENGAGING THE VALUE CHAIN



We aim to reduce our carbon footprint through the entire value chain

### Carbon reduction

We aim to reduce our GHG emissions by:

- increasing the use of energy generated from renewable sources, on a percent basis;
- improving the energy efficiency of our processes, installations and buildings; snf
- changing our behavior where possible (e.g., smarter travelling).

In 2017, the percentage of consumed electricity that was generated from renewable sources increased to 92%.

Being an important stakeholder, Technical and Supply Operations (TSO) picked up the carbon reduction challenge at the beginning of 2017 by launching Green@TSO. This long-term initiative will challenge our manufacturing, supply chain, development, devices and packaging teams to find solutions to reduce carbon emissions by 35% by 2030. The project also aims to reduce water consumption by 20%, and waste generation by 25% by 2030.

During 2017, more than 350 TSO colleagues were involved in 40 workshops, generating 600 ideas, which so far resulted in 120 projects. For example, our manufacturing teams in Braine and Bulle have defined green roadmaps, which identify energy efficiency projects to be launched in the short term. The Supply Chain team identified four clusters (packaging, network-routing, carriers, loading efficiencies and intermodal transportation methods) around which efficiency improvement programs will be focused as of 2018.

### Carbon compensation

Even though our main focus lies on reducing GHG emissions, we will need to compensate for the emissions we cannot reduce in the short term, in order to reach the goal of carbon neutrality by 2030 for the activities we control directly. That's why UCB, in 2017, partnered with sustainability organizations dedicated to re-forestation and environmental protection, that will coordinate our carbon compensation efforts.

With CO<sub>2</sub>Logic, we will support the EcoMakala project in the Virunga Park, located near Goma in the Democratic Republic of Congo (DRC). Over a period of 15 years, nearly 10 000 hectares (100km<sup>2</sup> or 60% the surface of the Brussels) of woodland will be planted, resulting in a CO<sub>2</sub> sequestration of nearly 300 000 tons of CO<sub>2</sub>.

Our partner will also provide the local population with energy efficient cook stoves and sustainably produced charcoal, during a period of 10 years. This will help to prevent the illegal harvesting of wood in the Virunga park currently used to prepare daily meals. Through this initiative, the emission of approximately 400 000 tons of CO<sub>2</sub> will be avoided. The EcoMakala project is currently being certified by the Gold Standard in order to ensure robust project management and reliable monitoring and reporting.



Manufacturing of energy efficient cook stoves, DR Congo



Reforestation project near the National Virunga Park, DR Congo



Reforestation project near the National Virunga Park, DR Congo

With WeForest, about 12 000 hectares of degraded woodland in Ethiopia's Tigray (Northern Ethiopia) will be restored over a period of 13 years. The Desa'a Forest project is currently being certified by the Plan Vivo standard and will result in the sequestration of nearly 200 000 tons of CO<sub>2</sub> by 2030, and by more than 800 000 tons of CO<sub>2</sub> by 2050, the total lifespan of the project.

As well as the sequestration of CO<sub>2</sub>, which will help fight global warming, the projects will also provide employment to the population living in or near these areas and help improve their living conditions. In fact, the climate projects contribute to many of the UN SDGs.

## SCOPE OF THE REPORTING

Energy consumption of UCB's car fleet (other than utility vehicles) and the related CO<sub>2</sub> emissions is not yet included in the reporting scope. In 2017, the environmental footprint of the production site in Shannon (Ireland), which was divested in the second quarter of 2016, is no longer included in the scope of the environmental performance reporting. Energy consumption data for the affiliates located in Moscow and Sao Paulo, on the other hand, were included for the first time, in order to reach a 90% coverage of UCB's global operations. Revamping projects, which occurred in several manufacturing sites, had an impact on our ecological footprint.

UCB also prepared a better understanding of the increasingly important environmental footprint upstream and downstream of its operations, which will allow us to address the environmental footprint of UCB's entire value chain when defining the Science Based Targets. Over 20 strategic contract manufacturing organizations (CMOs) reported on key environmental indicators.

As already mentioned, Global Supply Chain initiatives for greening the logistical processes are being prioritized. In line with scope 3 reporting, the GHG emissions related to business travel are included in this report.

## ENERGY

This year, the overall energy consumption decreased by 5%; the usage of gas and electricity was reduced by 9% and 4% respectively.

The change in energy consumption is influenced by the above stated changes in reporting scope, to UCB's production volumes in general, to variations in

climatological conditions (with an impact on the need for cooling and/or heating), to energy saving programs implemented at various UCB sites. The increase in the consumption of fuel is due to the fact that the Brazilian operations are included for the first time in the reporting scope.



**7 135 GJ**

Of current energy savings through energy efficient projects



**92%**

Of the electricity consumed by UCB originated from renewable sources

Energy saving initiatives implemented in 2017 led to a recurrent energy saving of 7 135 GigaJoules, which is 0.9% of UCB's scope 1 and scope 2 energy usage. Energy saving projects were completed at the sites in Bulle (Switzerland), Braine-l'Alleud (Belgium) and Saitama (Japan). Key contributors were an optimization of the Multicolumn Continuous Chromatography (MCC) equipment used at the chemical production plant in Bulle and energy efficiency gains in the distribution of fluids at the chemical production plant in Braine l'Alleud

and in the microbial inactivation process at the biopant in Bulle.

In 2017, 92% of the electricity consumed by UCB originated from renewable sources, with six UCB sites relying fully on electricity generated from renewable sources, *i.e.*, Bulle (Switzerland), Monheim (Germany), Atlanta (U.S.), Slough (U.K.) Braine-l'Alleud and Brussels (Belgium). Electricity sources include solar, wind and hydropower, as well as, biomass.



**2 336 GJ**

Electricity generated by UCB through solar panels



**54 987**

Tons CO<sub>2</sub> emissions due to business travel

UCB generated 2 336 GigaJoules of electricity through solar panels installed in Braine-l'Alleud and Bulle, an increase of 52% compared to 2016 due to the installation of additional solar panels in Braine l'Alleud.

in Shannon in the second quarter of 2016, the revamping project that occurred at several manufacturing plants and the fact that 92% of consumed electricity is now generated from renewable sources.

Overall scope 1 and scope 2 CO<sub>2</sub> emissions were reduced by 17%; scope 1 emissions decreased by 5% while scope 2 emissions were reduced by 46%. These reductions are mainly due to the divestiture of the sites

Business travel, associated with scope 3 CO<sub>2</sub> emissions resulted in 54 987 tons, an increase of 1% when compared to 2016.

## WATER



Adrien, UCB

UCB set the absolute target to reduce its water consumption by 20% by 2030, compared to the 2015 baseline. This target is quite ambitious, as UCB's transformation to a leading biotech company will increasingly lead to the introduction of production processes, which typically tend to be more water demanding.

In 2016, water consumption at the UCB facilities decreased by 12% compared to 2015. This reduction was mainly due to the divestiture of the sites in Seymour and Shannon (which lowered water consumption by 190 654 m<sup>3</sup>), as water consumption in key sites such as Braine-l'Alleud, Bulle and Slough increased by 87 967 m<sup>3</sup>.

In 2017, water consumption decreased by 6%. Factors that influenced water consumption are the divestiture of the site in Shannon (-2%), the revamping projects that occurred at various manufacturing sites, variations in climatological conditions (with an impact on the need for cooling) and water saving programs implemented at the sites.

## WASTE

UCB also set the absolute target to reduce its waste generation by 25% by 2030 compared to the 2015 baseline.

In 2017, waste generated at the UCB facilities decreased by 19%.

UCB globally managed to recover 91% of its waste, predominantly through recovery of waste as a fuel to

generate energy, and the recovery and regeneration of solvents. This percentage of recuperated waste steadily improved by more than 5%, when compared to 2010.

Waste avoidance and improved waste recovery by an active management of various waste streams remains key in managing UCB's ecological footprint.



**91%**

Waste recovered

# Providing access to epilepsy care in resource-poor countries

## (Material Aspect 4)



Access to epilepsy care in low and middle income countries remains a complex public health challenge. Lack of qualified health care professionals and disease awareness makes people with chronic diseases more vulnerable to poverty and exclusion. Furthermore, the barriers to quality epilepsy care in those resource-poor countries are multiple.

Over the past five years, UCB's Corporate Societal Responsibility (CSR) team, together with partners of the nine ongoing initiatives in Africa and Asia, fine-tuned strategies by interconnecting information between various initiatives, resulting in an acceleration of value creation for underprivileged people living with epilepsy.

In this context, UCB identified the four cornerstones of the CSR strategy:

1. **Create inclusive epilepsy education platforms** for health care providers, often with limited knowledge on the disease, the causes and the treatment options;
2. **Expand and accelerate community awareness programs** on epilepsy as a chronic disease, to increase the acceptance and integration of people living with epilepsy in their family, school, social and economic network;
3. **Advance access to diagnosis and treatment** (within the countries' treatment guidelines) offering holistic care; and
4. **Create academic neurology platforms** to train a next generation of researchers and neurologists to build sustainable value to the country's public health.

CSR was less about charity than working intentionally, fully mindful of the realities and challenges, so that improvements are realistic and incremental.



Ann, UCB

## UCB SOCIETAL RESPONSIBILITY FUND

The UCB Societal Responsibility Fund was jointly launched by UCB and the **King Baudouin Foundation** in 2014. This independent, not-for-profit and highly-recognized organization was established 35 years ago, and has grown internationally through multiple partnerships with similar foundations globally. This current partnership is allowing UCB colleagues and stakeholders to financially support CSR initiatives via donations. In particular, donations to the UCB Societal Responsibility Fund:

1. Support five CSR initiatives: Brothers of Charity in Lubumbashi (Democratic Republic of Congo) and Kigali (Rwanda); Duke University (Uganda); Handicap International (Madagascar); and, OneFamilyHealth (Rwanda);
2. Help education, diagnosis and access to care for people living with epilepsy served by our partners.

## BROTHERS OF CHARITY – DR CONGO AND RWANDA

### Brothers of Charity – DR Congo

Our partnership with the **Brothers of Charity** in the neuropsychiatric center Dr Joseph Guislain in Lubumbashi (DR Congo) is built around three objectives:

- to better understand the epilepsy disease burden by studying the prevalence of the disease;
- to develop the structure of an affordable and sustainable care for people living with epilepsy, and their families;

- to strengthen the neurology capacity by having Dr Marcellin Bugeme and Dr Patrice N. Ntenga continue their third and four-year master course in neurology, at Cheik anta Diop University in Dakar (Senegal).

In 2017, the medical staff completed 2 670 epilepsy consultations in the mobile clinics. The medical staff completed over 5 100 consultations in the tertiary center in Lubumbashi. In addition, they performed 912 electroencephalograms.



2 670

Consultations completed in the mobile clinics



912

Electroencephalograms completed



## Brothers of Charity, Rwanda

Sister Vestine at the CARAES neuropsychiatric center

### Brothers of Charity – Rwanda

In 2017, the tertiary neuropsychiatric hospital CARAES of Ndera, nearby Kigali, offered consultations to people living with neurological conditions, often travelling long distances to seek specialized care. Strengthening the neurology capacity is accomplished by a three-pronged approach.

First, Dr Beni Uwacu successfully completed his master in neurology specialization at the Cheik anta Diop University in Dakar (Senegal) and Kigali. Dr Sylvestre Mutungirehe, on the other hand, started his master in neurology in Dakar.

Second, Dr Fidèle Sebera completed the validation of the two research tools in the neuropsychiatric hospital. The PhD research project of the co-morbidity of epilepsy and depression under supervision of Prof dr Paul Boon of the department of Neurology of Ghent University was initiated in December.

Third, the Rwandan Organization Against Epilepsy completed important trainings of grass-root health care

workers and community health agents in the villages of Musanze. A total of 1 283 agents from 432 villages participated in the one-day epilepsy training. 143 health care professionals from 17 health care zones received a four-day training in epilepsy disease management, adherence to treatment and early diagnosis.

With the objective of enhancing access to EEG investigations during field visits, the UCB Societal Responsibility Fund provided two mobile EEG equipment; one to the primary health care center of Gikonko, and another one to the neuropsychiatric hospital of Butare.



Taco, UCB with Dr Fidele and Juvenal, Brothers of Charity, Rwanda

People are people despite their cultural differences and living situations.

Gillian, UCB



During 2017, the *Orchestrate* leadership program engaged the visit of 14 future UCB leaders to Rwanda to understand the intersection between the needs of medically challenged communities, underprivileged

people living with epilepsy and their families, the sustainability of UCB's CSR engagement, and an ethical and responsible business conduct.

## DUKE UNIVERSITY – UGANDA



### Duke University, Uganda

Duke University neurosurgeons at Mengo hospital

The Division of **Global Neurosurgery and Neurology** (DGNN) of the Department of Neurosurgery of Duke University (Durham, U.S.) received a grant from the UCB Societal Responsibility Fund. The DGNN is comprised of 62 Duke University Hospital staff, faculty, and students.

For the past 10 years, a DGNN multi-disciplinary team has been travelling to Uganda in order to conduct neurosurgery camps, trainings and to build capacity. The DGNN team meets at monthly intervals with the staff based in Uganda through video teleconferences.





Duke University neurosurgeons, Uganda

In October, the DGNN shipped eight tons of medical equipment to Mengo hospital in Kampala, the oldest private hospital in the country, in order to set-up three

complete operating rooms. Twenty-two DGNN and five pediatric neurosurgeons from Stanford University travelled to Kampala, bringing additional medical supplies. During the week-long camp, 30 neurosurgical interventions were successfully completed, together with local neurosurgeons and residents. In addition, nearly 100 neurology consultations were conducted, including many people living with epilepsy.

The objective of our partnership with Duke is to build on synergies between the two organizations. Activities such as: providing epilepsy training to health care providers; offering community sensitization initiatives; supporting people living with epilepsy; accelerating access to diagnosis and treatment; and, collaborating on a number of important research initiatives supported by local officials, are common across our different epilepsy initiatives.

## HANDICAP INTERNATIONAL – MADAGASCAR



### Handicap International, Madagascar

**Dr Marie** of the Betsako health center together with **Pilar** from Handicap International

January 2017 marked the launch of UCB's collaboration with **Handicap International** of Madagascar (HI) with the objective of rolling out an epilepsy awareness program in 14 villages in four districts in the Boeny and Analanjirifo regions. HI's primary objective is to build selected activities so that communities will better understand epilepsy and the causes of this chronic disease, and be able to embrace people living with epilepsy often excluded and stigmatized. The program will also build education platforms for school teachers and engage young children in understanding their friends living with epilepsy, thereby improving their inclusion.

As the project is in its infancy, a significant amount of groundwork first needed to be laid, in order to be able to begin with the implementation of the program. It included an endorsement by the Ministry of Health and local governmental authorities. After identifying and informing selected communities of the forthcoming epilepsy project, recruitment and training of staff were initiated.



**Dr Sylvia** at the Anborovy health center, Madagascar

In parallel to the roll-out of the epilepsy awareness campaign, HI is also launching a study on the knowledge, attitudes, and practices of the Malagasy population and health care professionals with regards to epilepsy in general. The outcomes of this study will serve as the basis for the implementation of the project, since it claims to increase knowledge, and to bring about positive changes in attitudes and practices regarding epilepsy.

During the first phase of the project, HI experienced a number of challenges. Rough terrain, remoteness of villages, limited number of health care professionals and village doctors, as well as, an outbreak of the plague in the second half of 2017, impacted the roll-out of the program.



## ONE FAMILY HEALTH – RWANDA



### One Family Health, Rwanda

Health center

**One Family Health's** (OFH) mission is to expand access to quality essential healthcare products and services through a nurse-led franchise model of health posts. Since the inception of our partnership last year, we have advanced shared goals around empowering frontline healthcare workers to improve epilepsy case identification, adherence to treatment and care, and community awareness and support.

In 2017, UCB, in collaboration with neurologist Dr. Fidèle Sebera of the CARAES neuropsychiatric hospital (Ndereza), hosted an epilepsy training in the Musanze district, attended by 11 OFH nurses. The objective of the trainings was to increase the knowledge base of primary health care workers, enabling them to better recognize the signs and symptoms of epilepsy. Similar trainings will continue to take place in other regions of Rwanda.



## WORLD HEALTH ORGANIZATION – MOZAMBIQUE AND MYANMAR



### World Health Organization, Mozambique

**Juan**, the psychiatric technician caring for **Judite** at the Matola Provincial Hospital

#### World Health Organization – Mozambique

Epilepsy is a major health problem with over 80% of people in low- and middle-income countries without access to quality diagnosis and treatment. People are often stigmatized, excluded from their communities or schools and hence, they are denied basic human rights.

Despite limited in-country specialized resources, an unusual progress has been made to integrate epilepsy into the primary health care system under the strong leadership of the team of the Department of Mental Health of the Ministry of Health. During the past four years, the team fostered and built trust with the administrative authorities and health care workers of various communities. It resulted in a unique and strong network of dedicated coordinators of 16 participating health districts, instrumental in building an epilepsy network of trained health staff.

The inspirational leadership, strong commitment, and insightful communication by the Minister of Health

facilitated the outline of an integrated epilepsy blueprint, creating a strong health information system, and integrating epilepsy in the non-communicable disease health program. A school program endorsed by the Minister of Health was designed to create epilepsy awareness and epilepsy engagement with children through a drawing competition.

In 2017, 823 epilepsy education awareness sessions were organized in the communities of the 16 health districts, and over 246 000 people attended. In addition, the implementation team further strengthened the training of health care professionals and community health workers in order to conduct 32 130 consultations of people living with epilepsy, more than double of consultations conducted in 2015.

The key to success is building engaged communities, eager to make a difference for people living with epilepsy.



823

Epilepsy education awareness sessions organized in the communities



32 130

Consultations of people living with epilepsy



## World Health Organization, Myanmar

Nyomi, living with epilepsy

### World Health Organization – Myanmar

Treatment of epilepsy has long been neglected in public health programs, notwithstanding its high disease burden, the major impact on the people it affects, and access to cost-effective treatment.

The team of *Hope for Epilepsy* initiative in Myanmar continued building on the extensive experience of the Myanmar National Epilepsy Coordinating Committee (NECC).

To date, health center staff of a total of 2 139 health centers received either new or refresher epilepsy training. The NECC conducts quarterly supervision of the 10 project townships. Thereafter, the trained township level health personnel provides supervision to the rural health facilities. To date, 7 965 health education sessions brought together 131 751 people.

There was an 88% increase in number of initial and follow-up consultations, with 444 people newly diagnosed as living with epilepsy. Following the initiation of the treatment, seizures improved on average by 50% and the quality of life improved by 78%.

As a result of the broad acceptance of the *Hope for Epilepsy* initiative, the reduction of treatment access gap in the townships further progressed positively.



Nursing staff at the Lewe health center, Myanmar

## BDC OF RED CROSS SOCIETY OF CHINA – CHINA



The partnership *Health and Hope Fund* between the Business Development Center (BDC) of the Red Cross Society of China and UCB was established in 2013.

The specialized training of village doctors of ethnic minorities was delocalized to the capitals of the resource-limited provinces. With strong support of provincial government, health authorities, local Red Cross and academic institutions, a total of 1 079 village doctors received theoretical and bedside training in eleven training programs in eight provinces. The impact of these training programs has been significant, with over 500 000 villagers benefitting from the improved knowledge and competencies (direct benefit), with about 20 000 village doctors receiving knowledge through a shared township hospital learning platform

(indirect benefit). Considering these efforts, the *Health and Hope Fund* has supported the ongoing government’s initiative to build a robust primary health system aimed at offering quality care at community level.

The health burden of a rapidly aging population is important world-wide, and the situation in China is no exception. China has already the largest elderly population worldwide and this aging population poses important challenges to sustainable health, economic and social development. With the objective of reducing the training gap of nurses in elderly care homes, 759 nursing staff of elderly care homes of over 300 counties attended a 12-day training program in Chengde and Kunming, and 741 nursing home principals attended a 5-day training program in Beijing.

Meaningful work cannot be done without good partners in-country to provide continuity to the work, but those partners also need to feel confident in our commitment to them.



**Brandon, UCB**



The impact of the intense training course is measured by the number of elderly people under care at the elderly care homes. It is estimated that over 200 000 elderly benefitted from the attendance of staff in the training program, and also the knowledge sharing platform among nursing staff in the elderly care homes created a knowledge snowball effect.

During 2017, the *Orchestrate* leadership program engaged the visit of six future UCB leaders to China to understand the intersection between the needs of medically challenged communities, underprivileged people living with epilepsy and their families, the

sustainability of UCB's CSR engagement, and an ethical and responsible business conduct.

In addition, on the China Epilepsy Day, Phoenix Metropolis Media, as part of their CSR contribution, broadcasted an epilepsy video on their outdoor screens in five leading cities in China reaching over 23 000 000 people. The video featured several children of the GuangXi province, and Ms Li Ting (Olympic gold medalists) and Ms Li Rao as ambassadors of love for children living with epilepsy. Phoenix MultiMedia provided the airtime free of charge as part of their CSR program.

## PROJECT HOPE – CHINA



### Project HOPE, China

Participant of the *Rainbow bridge* family weekend

The four-year *Rainbow Bridge* program of the project HOPE partnership with UCB ended in March 2017. In light of the exciting results, **project HOPE** and UCB

signed a new three-year contract to support activities of the *Rainbow Bridge – Hope and Care for Children and Families with Epilepsy* initiative.



### A TRUE LOVE MESSAGE

It will be New Year's eve tomorrow. I would like to offer New Year's greetings to all members of the Rainbow Bridge program and to all medical personnel, thank you all. Thank you for giving care and support to each of our families; it is you who gives us strength and hope, thank you!!! And I also thank all the members of the groups, of the same sharing of fate, we have gathered together, let us communicate, support and encourage each other for having more strength to face the difficulties, thank you all!!! At this moment of new year greetings and an old year farewell, we wish all unpleasant things and the disease of every child and family suffering in our groups be gone with the wind in the sound of the firecrackers of New Years' Eve, forever, and that our children would be fine and healthy. We wish everybody a healthy and happy New Year.

A mother from Inner Mongolia

To date, the education for medical personnel brought together 1 945 health care providers in classroom training in childhood epilepsy, with over 290 900 children living with epilepsy benefitting from these trainings. The physicians also referred close to 97 000 children living with epilepsy to the tertiary neurology center in the provinces. In order to accelerate the education, an **on-line and free-of-charge neurology course** was made available. Over 60 000 physicians successfully completed the different modules. In order to facilitate the bedside diagnosis, a pocket book *Pediatric Epilepsy Treatment Primary Care Providers Training Manual* was published, and after completion of a post-test questionnaire, physicians are granted five National Level Continuing Education Category II credits.

Patient education consisted of listening to the challenges, the emotions and the family burden of epilepsy, from the perspective of the caregiver. A total of 1 623 parents attended these sessions. In addition, *Rainbow Bridge* organized family week-end workshops that brought together 173 children living with epilepsy and 681 family members. Children enjoyed a fun-filled week-end, while parents had dedicated time with their health care providers.

The public education consisted of knowledge sharing with school teachers. They are key for the well-being of all children in school, including children living with epilepsy in the school environment. Workshops brought together 830 teachers.



# 60 000

Physicians completed online neurology training course

# Employee engagement

## (Material Aspect 5)



Employee engagement is a fundamental material aspect of UCB's strategy. Active interactions between employees are encouraged to appreciate the way we are profoundly connected and how we embrace the insights of patients. The commitment of employees to be *inspired by patients, driven by science* is present every day.

At UCB, we are convinced that by enabling UCB colleagues to understand the patient's needs, their environment and their challenges, colleagues are

stimulated to foster integrated and innovative entrepreneurship and to create circular knowledge sharing amongst colleagues.

## ACCESS TO CARE

Within the framework of our mission to improve the lives of people living with severe chronic diseases worldwide, UCB is committed to spearheading innovative patient and family access programs, to invest in research and development and clinical study programs, and to foster partnerships with charity organizations that share our patient-commitment.

The Patient Support Programs include sponsorships, informative websites, mentoring and scholarships, and strengthening and enhancing the quality of life for those people living with severe chronic diseases worldwide.

Continuous dialogue with patients, experts, policy makers, communities, employees, and suppliers creates the platform for sharing ideas on current and emerging disease insights, and builds a trusted environment where advocates and UCB may work together. Through Patient Engagement, UCB wants to maximize the creation of sustainable patient value for specific populations and support shaping the environment on health topics of

shared interest. Engaging with patient advocates and patient groups, through thoughtful advocacy, will strengthen UCB and patients' voice positioning on important health issues for patients, UCB and the broader ecosystem.

Some of the other initiatives were:

### Academic Engagement Night, United States

UCB Biosciences, Inc. in Raleigh-Durham (North Carolina) hosted its fourth annual Academic Engagement Night with approximately 100 undergraduate and graduate students from nine universities. The Academic Engagement Night enables sharing valuable insights with the next generation of bright scientists and clinicians eager to make a difference in science and healthcare. Students were able to:

- learn more about clinical research and drug development;

- understand core competencies needed to gain employment in this industry;
- recognize a sustainable and engaged organization; and
- build a network with mentors at various levels and disciplines at UCB.

Strengthening partnerships with universities who have top-rated science and healthcare programs will be paramount to UCB’s success as an organization.

**UCB links with Super Bowl to tackle epilepsy stigma, U.S.**



UCB’s patient-centered focus was demonstrated when UCB colleagues in the U.S. associated with the 51st annual NFL Super Bowl game (Houston). UCB’s Epilepsy Advocate program was featured in a two-page spread in the Official 2017 Super Bowl game program which was distributed at the event as well as sold by retailers around the country. To generate further impact and demonstrate UCB’s commitment to patients, UCB donated two game tickets, airfare and hotel accommodations to the Epilepsy Foundation of Georgia (EFGA) so that a person living with epilepsy had the opportunity to attend Super Bowl 51. Additionally, leading up to the big game, UCB launched the #tackleepilepsy social media campaign to

drive awareness and combat the stigma associated with epilepsy. Participants were encouraged to take a picture and to share it on Facebook and Twitter.

The success of the social campaign allowed UCB to donate \$26 000 to the Epilepsy Foundation of America.

**World Osteoporosis Day**

Osteoporosis and fragility fractures are a major public health concern. It is an underlying cause of chronic pain, long-term disability and premature death. Yet the condition remains severely underdiagnosed and undertreated.

October 20 marked an important day in the calendar for UCB – World Osteoporosis Day!

Organized by the International Osteoporosis Foundation (IOF), World Osteoporosis Day provided us the chance to show our vibrant support to UCB’s commitment to help create a world free of fragility fractures. By signing the IOF Global Patient Charter on [iofbonehealth.org](http://iofbonehealth.org), over 690 UCB colleagues worldwide raised the voice of the patients living with osteoporosis and fragility fractures helping to make fracture prevention a health priority.

**World Parkinson’s Day**

The theme for this year’s awareness day focused on unity amongst the Global Parkinson’s community. To mark this occasion, people and organizations were encouraged to band behind the hashtag #UniteForParkinsons on Facebook, Twitter, Instagram or any other relevant social media channel – and to share messages about why they feel it is important to #UniteforParkinsons.

UCB is #United in our belief that by harnessing innovative technology and life sciences, the organization can make a real difference for people living with Parkinson’s. UCB shares the overall goal of the World Parkinson’s Day organizers – that, by coming together for Parkinson’s, we can spread the same message on one day all over the world.





690

UCB colleagues world-wide signed IOF Global Patient charter



100

Students became first group of Epilepsy Care Ambassadors in China



#tackleepilepsy social campaign at Super Bowl 51, U.S.

### Flagship Epilepsy Program, China

In alignment with the World Health Organization Resolution on Epilepsy, UCB China has conducted the Epilepsy Flagship Program in 2017 to answer the calling of the Resolution to increase the public awareness of epilepsy, particularly in primary and secondary schools, in order to help reduce misperceptions, stigmatization and discrimination of the people with epilepsy and their families.

Supported by Shanghai municipality Xu Hui education bureau, UCB China sponsored the *Go to School Campaign* on international epilepsy caring day in Shanghai East China University of Science and Technology affiliated primary school, which was hosted

by the China Association Against Epilepsy (CAAE) and the Shanghai School Health Care Association. It enabled 100 students to become the first group of Epilepsy Care Ambassadors. 13 media agencies reported on this event, with five major cities displaying outdoor LED screens, and a total of over 800 000 social media hits recorded.

As part of the sustainable actions to increase public awareness of Epilepsy, UCB China signed an agreement with Shanghai Science and Technology Museum (SSTM), to set up a three-year *UCB Brain Science Education Special Fund*. This fund supports the Human & Health Pavilion – Brain Science Hall in SSTM, which ranked No. 7 in the world in 2016 with an annual audience of 3.5 million.

## COMMUNITIES

UCB is committed to creating a positive impact in the global communities where patients live their lives.

### **Koudougou, Burkina Faso**

*Koudougou*, a Belgian not-for-profit organization, was created twelve years ago by four UCB colleagues. Its mission is to assist women and children in the remote villages of Tiibin and Wappasi, Burkina Faso, with farming and the education of children. For the past four years,

UCB employees have had the opportunity to participate. This year, 10 colleagues joined the Koudougou mission (out of a total of 25 participants) to help with both the animation of a camp for 80 school children, as well as planting hedges in order to protect fruit and vegetable cultures held on the seven hectares of land purchased last year. A great success!



**Hélène, Pascal and Benjamin, UCB**



**Arnaud and Aline, UCB**



**Arnaud and Aline, UCB**

### **Epilepsy Awareness Campaign, Belgium**

Fracarita Belgium, our CSR partner, organized an awareness and fundraising campaign in Belgium on the need for epilepsy treatment in Africa. During the campaign launch, over 200 representatives/animators from approximately 110 schools (nursery, primary and secondary education, both general and special education), psychiatric centers, special education centers and retirement homes of the Brothers of Charity in Flanders were present. The launch included a short panel discussion on epilepsy in Africa, a demonstration with

the epilepsy virtual reality experience, an EEG-demonstration and various thematic workshops for the different target groups. In addition, a campaign video on epilepsy, facilitated by UCB, was launched. Some 13 500 people working at Brothers of Charity facilities (schools, psychiatric hospitals, elderly homes and centers for children with a disability) and some 25 000 students, patients and clients attending these facilities got in touch with this campaign during the period of Lent.

[Campaign website \(Dutch\)](#)



**Representatives/animators from Brothers of Charity's facilities in Flanders were present during launch of epilepsy awareness campaign**

### Children's Day, Brazil



**Carolina, Ricardo, Ricardo, Cleia and Sabrina, UCB**

Colleagues from Brazil organized an internal campaign to collect gifts, clothing, food and personal items for a local orphanage that cares for children rejected by their families or who have suffered some kind of abuse. The orphanage is home to children ranging from 1-16 years of age. With the help of social workers, the focus is on trying to get the children to return back to their homes, and if not possible, children are placed for adoption.

### Nursing Home Visit, China

Our UCB China colleagues organized a series of visits throughout the year to the Yat-sen Nursing Home in Shanghai. Visits coincided with important Chinese holidays and festivals, allowing the elderly residents to feel the warmth of society.

For example, this year the UCB China leadership team went to celebrate Lunar New Year at Yat-sen Nursing Home. Additionally, on Chong Yang Festival, one of the most important traditional Chinese festivals – and a special day for the elderly – UCB volunteers took nursing home residents to watch traditional Chinese operas similar to the performances they watched when they were young. The volunteers also shared small gifts that were popular about 50 years ago, making the nursing home residents feel young again!

### *You can change the Story*, Belgium

Building upon the *Take a Second. Safety First* behavioral safety campaign (aimed at raising awareness about key causes of accidents) that has run the previous two years, UCB launched the *You can change the Story* campaign in 2017, inviting all employees to proactively act upon any dangerous situations they might observe at UCB. Sites around the globe used the theme to organize site specific activities focusing on the fact that every single person can contribute to a safer workplace, in line with our belief that we all should *See it, Own it, Solve it and Do it*.

## CORPORATE GIVING

UCB employees pledged a strong support to the Corporate Societal Responsibility initiatives through the

organization of and participation in several events to raise funds for unmet needs in our activities in Africa.



Two new mobile EEG donated to Handicap International, Madagascar

### Walk for Africa

A record year for the third annual Walk for Africa with 30 UCB's sites (up from 22 last year) and over 1 500 employees participating. More than € 10 000 was raised

(matched by UCB) to support the purchase of two new mobile EEG units in Madagascar, enabling persons living with epilepsy in the regions of Boeny and Analanjirifo, to now receive proper diagnosis.



Walk for Africa, UCB



Maxime, Anthony, André, Louis and Frédéric, UCB

### Run to Rwanda

This summer, New Medicines put their running and walking shoes on for the *Run to Rwanda* event. This was organized in partnership with CSR and had a goal of covering the 12 400 km distance from the venue of the 2017 New Medicines Congress in Windsor, U.K. to Kigali, Rwanda. This route was traversed in a virtual manner by capturing the distance covered in running or walking activities performed by individuals between mid-May and

mid-September. Participants ranged from dedicated runners to more occasional runners/walkers. There were also a number of hikers and even some swimmers! All of these contributions were valuable, and together ensured that *Run to Rwanda* reached its goal of € 3 500, which UCB doubled! The funds raised were used towards the purchase of video-EEG and EMG equipment that were used to allow quicker and more accurate diagnosis of people living with epilepsy throughout Rwanda.

# Scope and reporting principles

## SCOPE

Data regarding human resources are consolidated for all UCB companies worldwide that are globally integrated into our financial reports, regardless of their activity (research or industrial sites, affiliates, headquarters).

The Sustainability Report covers the data from January 1, 2017 until December 31, 2017.

The **2016 Annual Report**, together with the **Sustainability Report**, was published on February 26, 2017.

### Talents

The changes in workforce by employee organization, implemented in early 2015, regroup employees under the following four Patient Value Pillars: Patient Value Functions; Patient Value Practices; Patient Value Units, and Patient Value Operations. The Patient Value Functions regroup colleagues from Talent and Company Reputation, Finance, Legal Affairs, Corporate Strategy & Development, Public Affairs and Internal Audit, Quality Assurance, Health, Safety and Environment and Drug Safety. Colleagues of the Patient Value Unit Bone and Immunology are reported separately, while Patient Value Practices are reported as one entity.

The turnover calculation is based on the total number of employees who departed the organization voluntarily or due to dismissal, retirement, or death in-service divided by the total workforce.

Newcomers include colleagues in *new position* and *replacement*; whereas *inactive employees* (return from long-term sick leave, career break, sabbatical or parental leave) are not included.

Departures include colleagues with *terminated contract*, *retirement*, *resignation* and *death in service*; whereas *inactive employees* are not included.

### Training

In 2016, UCB implemented a new Learning Management System which allowed more precision in tracking the learning hours taken by our employees. Learning hours are tracked both for online e-learning and classroom, instructor-led courses using a general estimation of learning hours per course. All of our 'corporate-level' mandatory trainings (courses relevant for all or most UCB employees) are to be completed biennially.

Students, apprentices and trainees are not included in the training data.

### Geographical presence

The regional split is as follows:

- Europe: Austria, Belgium, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland and United Kingdom (U.K.)
- United States (U.S.)
- International markets: Australia, Brazil, Canada, China, Hong Kong, India, Japan, Mexico, Russia, South Korea, Taiwan, Turkey and Ukraine

### Occupational, Health and Safety

Occupational, Health and Safety data relate to 99% of people working at UCB.

### Environment

Planet data are consolidated for all manufacturing and research sites, HQ, and affiliates from Brazil, China, India, Italy, Japan, Germany, Mexico, Russia, and U.S. This scope covers 90% of UCB's workforce, compared to an 86% coverage last year.

For each of these, it is stated whether UCB's level of reporting covers the requirements in full or in part.

The following observations have been made during the data validation and consolidation process:

- In Atlanta (U.S.) and Monheim (Germany), facilities are rented to 3rd parties and there are no separate utility meters installed. As a result, consumption is overestimated for which the impact cannot be reliably measured.
- The 2017, direct CO<sub>2</sub> emissions for natural gas consumption is calculated considering the high or low heating value. As of 2016, conversion factors published in the "Bilan Carbone" guidelines, version 7.51 are used. Previously, conversion factors published in the intergovernmental panel on Climate Change 2006 Guidelines for national Greenhouse Gas inventories and the U.K. Department of

Environment, Food and Rural Affairs 2013 Government GHG Conversion Factors for Company Reporting: Methodology Paper for Emission Factors were used. The new factors were chosen in order to be consistent with a CO<sub>2</sub> mapping exercise completed by UCB in 2015 and based upon the *Bilan Carbone* methodology.

- Considering a growing percentage of electricity being generated from renewable sources, CO<sub>2</sub> emissions resulting from electricity consumption were calculated on market based CO<sub>2</sub> equivalents of the electricity mix consumed as reported by the UCB sites. When for a given site a specific ratio was not available, location based ratios published by the International Energy Agency (IEA) 2017 were applied. Conversion factors used to calculate the CO<sub>2</sub> emissions caused by business travel by air take radiative forcing into account.
- A total of 91% of waste generated by UCB is recovered and the methods by which waste is recovered are classified according to Annex B to the EU directive 2008/98/EU.
- The *other indirect GHG emissions (scope 3)* reported under GRI indicator EN17 relate to domestic and international travel performed by UCB employees working in 30 countries (Australia, Austria, Belgium, Bulgaria, Brazil, Canada, China (including Hong Kong), Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, India, Italy, Japan, Mexico, Netherlands, Norway, Poland, Portugal, South-Korea, Spain, Sweden, Switzerland, Taiwan, Turkey, U.K. and U.S.).

## REPORTING PRINCIPLES

In order to ensure uniformity and reliability of indicators used for all entities, UCB S.A. decided to represent the data according to the Global Reporting Initiative (GRI) G4 reporting indicators. These sustainability reporting guidelines cover financial and non-financial factors, e.g., social, safety and environmental impacts of the company's performance and sustainability.

UCB assessed themselves as compliant to the GRI G4 defined indicators *in accordance* with the Core option *General Standard Disclosure* and selected *Specific Standard Disclosure* indicators to report on.

## ACCURACY

The UCB Corporate Health, Safety & Environment (HS&E) and Corporate Societal Responsibility (CSR) departments are responsible for ensuring that all data are consolidated on the basis of information provided by the manufacturing and research sites as well as affiliates and administrative sites throughout the world.

Country HS&E coordinators perform an initial validation of safety and environmental data prior to the consolidation at corporate level.

Corporate HS&E and CSR also verify data consistency during consolidation. These validations include data comparisons from previous years as well as a careful analysis of any significant discrepancies.

Social data regarding the workforce are extracted from Global IT Human Resources systems used as management control database for UCB worldwide.

## RELIABILITY

In order to obtain an external review of the reliability and thoroughness of the data and reporting procedures, PricewaterhouseCoopers (PwC) is tasked with the specific verification of selected environmental, economic and social indicators.

Their **assurance statement**, describing the work performed as well as the compliance to the GRI G4

Sustainability Reporting Guidelines and conclusions are submitted, as required, to the Audit Committee as the appropriate body representing UCB's Board of Directors.

The assurance statement will be published as part of the Sustainability Report 2017.

# Talent, social and environmental data

## TALENT AND SOCIETAL DATA

GRI-G4 Indicator	Definition	Unit of measure	2016	2017	
<b>09</b>	<b>Total workforce</b>	Employees as of 31 December	7 563	7 478	
	<b>Workforce by gender</b>	Women and men employees	Number women	3 751	3 721
			% women	50	50
			Number men	3 812	3 757
			% men	50	50
	<b>Workforce by gender and age</b>	Women and men employees by age group	Number women	3 751	3 721
			• ≤29y	341	316
			• 30-≤39y	1 269	1 190
			• 40-≤49y	1 360	1 388
			• ≥50y	781	827
			Number men	3 812	3 757
			• ≤29y	262	225
			• 30-≤39y	1 114	1 059
			• 40-≤49y	1 432	1 398
			• ≥50y	1 004	1 075
<b>10</b>	<b>Workforce by region</b>	Europe/Japan/ U.S./International markets	Number		
			• Europe	4 284	4 416
			• Japan	399	*
			• U.S.	1 156	1 121
			• International markets	1 724	1 941
	<b>Workforce by region and gender</b>	Europe/Japan/ U.S./International markets	% women/men		
			• Europe	49/51	50/50
			• Japan	22/78	*
			• U.S.	55/45	56/44
			• International markets	53/47	47/53
	<b>Workforce by employment type</b>	Employees	Number		
			• Permanent contract	6 720	6 681
			• Fixed-term contract	843	797

\* From 2017 Japan is reported under International markets

\*\* In 2016 Immunology and Bone were reported together

GRI-G4 Indicator	Definition	Unit of measure	2016	2017
<b>Workforce by employment type and gender</b>	Women and men on permanent contract	% women/men	49/51	50/50
<b>Workforce by employee function</b>	Technical operations, administrative/support staff, sales force, managers and executives	Number		
		• technical operations	414	435
		• administrative/support staff	844	845
		• sales force	2 104	1 862
		• managers	4 071	4 190
		• executives	130	146
<b>Workforce by employee organization</b>	Patient value functions, units, operations and practices	Number		
		Patient Value Functions	1 119	996
		Patient Value Practices	622	788
		Patient Value Units		
		• New Medicines	507	511
		• Immunology	**	830
		• Bone	**	76
		• Neurology	1 346	1 270
		Patient Value Operations	1 499	1 228
		Patient Value Technical Operation	1 667	1 779
<b>LA01 Newcomers by gender, age group and region</b>	Gender, age group and region (see separate table)	Number		
		• women	524	476
		• men	532	405
<b>Departures by gender, age group and region</b>	Gender, age group and region (see separate table)	Number		
		• women	616	479
		• men	624	455
<b>Turnover</b>	Number employees leaving (voluntary/non-voluntary) divided by total workforce	%	16	12
<b>LA06 LTIR</b>	Lost Time Incident Rate	Number of incidents resulting in lost time of one day or more within a 12-month period, per million hours worked	2.04	1.48
<b>LTSR</b>	Lost Time Severity Rate	Number of lost days resulting from a lost time incident within a 12-month period, per thousand hours worked	0.04	0.04
<b>LA09 Training hours by employee category and gender</b>	Training hours by employee category of technical operator, administrative/support staff, sales force, managers and executives	Number hours women/men		
		• technical operators	49/54	57/54
		• administrative/support staff	21/33	20/35
		• sales force	10/9	8/8
		• managers	16/17	19/21
		• executives	9/7	17/13

\* From 2017 Japan is reported under International markets

\*\* In 2016 Immunology and Bone were reported together

## LA 01 Newcomers by Gender, Age Group and Region (2017)

Gender, age group and region	Women				Men			
	≤29	30-≤49	≥50	Total	≤29	30-≤49	≥50	Total
Europe	75	141	22	238	47	137	27	211
U.S.	4	59	18	81	0	33	17	50
International markets	38	113	6	157	34	98	12	144
<b>Subtotal</b>	<b>117</b>	<b>313</b>	<b>46</b>	<b>476</b>	<b>81</b>	<b>268</b>	<b>56</b>	<b>405</b>

## LA 01 Departures by Gender, Age Group and Region (2017)

Gender, age group and region	Women				Men			
	≤29	30-≤49	≥50	Total	≤29	30-≤49	≥50	Total
Europe	18	82	48	148	14	83	52	149
U.S.	0	64	28	92	0	61	16	77
International markets	54	175	10	239	47	148	34	229
<b>Subtotal</b>	<b>72</b>	<b>321</b>	<b>86</b>	<b>479</b>	<b>61</b>	<b>292</b>	<b>102</b>	<b>455</b>

## ENVIRONMENTAL DATA

GRI-G4 Indicator	Definition	Unit of measure	2016	2017
<b>EN 3</b> <b>Total</b>	Total energy consumption	GigaJoules	854 906	810 771
<b>Gas</b>	Gas consumption	GigaJoules	484 297	441 255
<b>Fuel oil</b>	Fuel oil consumption	GigaJoules	13 674	28 559
<b>Fuel vehicle</b>	Utility vehicle fuel consumption	GigaJoules	106	130
<b>Electricity</b>	Electricity consumption	GigaJoules	356 829	340 827
<b>EN 6</b> <b>Energy saved</b>	Energy saved due to conservation & efficiency improvements	GigaJoules	7 492	7 135
<b>EN 8</b> <b>Water</b>	Total water	m <sup>3</sup>	704 310	663 359
	Main water	m <sup>3</sup>	509 314	443 431
	Ground & surface water	m <sup>3</sup>	194 996	219 928

GRI-G4 Indicator	Definition	Unit of measure	2016	2017
EN 15 Direct CO <sub>2</sub> emissions – scope 1	Electricity	Ton CO <sub>2</sub>	0	0
	Gas	Ton CO <sub>2</sub>	27 569	25 118
	Fuel	Ton CO <sub>2</sub>	846	1 753
EN 16 Indirect CO <sub>2</sub> emissions – scope 2	Electricity	Ton CO <sub>2</sub>	10 936	5 888
	Gas	Ton CO <sub>2</sub>	0	0
	Fuel	Ton CO <sub>2</sub>	0	0
EN 17 Other indirect GHG emissions – scope 3	Business Travel	Ton CO <sub>2</sub>	54 651	54 987
EN 23 Waste disposal	Total waste	Tons	8 712	7 090
	Total waste not recovered	Tons	227	606
	Total waste recovered	Tons	8 486	6 484
	Subtotals	Tons		
	• Subtotal waste used principally as a fuel or other means to generate energy (EU waste recovery code R1)	Tons	2 789	2 368
	• Subtotal waste recovered through solvent reclamation or regeneration (EU waste recovery code R2)	Tons	2 699	2 416
	• Subtotal waste recovered through recycling/ reclamation of organic substances which are not used as solvents (EU waste recovery code R3)	Tons	1 295	1 116
	• Subtotal waste recovered through recycling/ reclamation of inorganic materials other than metals (EU waste recovery R5)	Tons	1 603	394
• Subtotal waste recovery by other methods (EU waste recovery R4, R6 & R9)	Tons	99	190	
EN 24 Total number and volume of significant spills	Number		0	0
	Volume	Tons	0	0
EN 25 Hazardous waste	Hazardous waste as defined by locally applicable regulations	Tons	5 527	5 017
	Non-hazardous waste	Other solid waste (excluding emissions and effluents)	Tons	3 186

# GRI G4 sustainability indicators

## GENERAL STANDARD DISCLOSURE

### Category: Strategy and analysis

01	Statement of CEO	●	Letter to our stakeholders
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### Category: Organizational profile

03	Name of organization	●	UCB: creating value for patients Letter to our stakeholders
04	Primary brands, products, and services	●	See Annual Report 2017
05	Location of the organization's headquarters	●	See Annual Report 2017
06	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	● β	See Annual Report 2017 Scope
07	Nature of ownership and legal form	●	See Annual Report 2017
08	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	● β	See Annual Report 2017
09	Scale of the organization, including		
	• Total number of employees	● β	Talent and societal data
	• Total number of operations	● β	See Annual Report 2017
	• Net sales (for private sector organizations) or net revenues (for public sector organizations)	● β	See Annual Report 2017
	• Total capitalization broken down in terms of debt and equity (for private sector organizations)	● β	See Annual Report 2017
	• Quantity of products or services provided	●	See Annual Report 2017
10	Human Resources		
	• Total number of employees by employment contract and gender	● β	Talent and societal data
	• Total number of permanent employees by employment type and gender	● β	Talent and societal data
	• Total workforce by region and gender	● β	Talent and societal data
	• Significant variations in employment numbers	●	Talent and societal data
11	The percentage of total employees covered by collective bargaining agreements	◐	Collective bargaining agreements are country specific
12	The organization's supply chain	●	Sourcing, manufacturing and supply chain
13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	●	Scope
14	Whether and how the precautionary approach or principle is addressed by the organization	●	Environmental footprint & compliance

β Indication that Standard Disclosure item is externally assured

● Full disclosure

◐ Partial disclosure

15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	●	Human rights Stakeholder dialogue
16	Memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization, referring primarily to memberships maintained at the organizational level		
	• Holds a position on the governance body	●	Stakeholder dialogue
	• Participates in projects or committees	●	Stakeholder dialogue
	• Provides substantive funding beyond routine membership dues	●	Stakeholder dialogue
	• Views membership as strategic	●	Stakeholder dialogue

### Category: Identified material aspects and boundaries

17	Entities included in the organization's consolidated financial statements or equivalent documents and report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report	●	See Annual Report 2017
18	Material aspect boundaries		
	• The process for defining the report content and the Aspect Boundaries	●	Materiality, stakeholder dialogue and responsible entrepreneurship
	• How the organization has implemented the Reporting Principles for Defining Report Content	●	Materiality, stakeholder dialogue and responsible entrepreneurship
19	Material Aspects identified in the process for defining report content	●	Linking areas of engagement to material aspects and to SDG's
20	Stakeholders and material aspects		
	• List of entities or groups of entities included in G4-17 for which the aspect is not material or the list of entities or groups of entities included in G4-17 for which the aspect is material	●	Materiality, stakeholder dialogue and responsible entrepreneurship
	• Specific limitation regarding the Aspect Boundary within the organization	●	Materiality, stakeholder dialogue and responsible entrepreneurship
21	For each material Aspect, report the Aspect Boundary outside the organization	●	Materiality, stakeholder dialogue and responsible entrepreneurship
22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	●	No restatement of previously provided information has been made
23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	●	Scope

β Indication that Standard Disclosure item is externally assured

● Full disclosure

◐ Partial disclosure

## Category: Stakeholder engagement

24	List of stakeholder groups engaged by the organization	●		Materiality, stakeholder dialogue and responsible entrepreneurship
25	The basis for identification and selection of stakeholders with whom to engage	●		Materiality, stakeholder dialogue and responsible entrepreneurship
26	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	●		Materiality, stakeholder dialogue and responsible entrepreneurship
27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting and report the stakeholder groups that raised each of the key topics and concerns	●		Materiality, stakeholder dialogue and responsible entrepreneurship

## Category: Report profile

28	Reporting period (such as fiscal or calendar year) for information provided	●	β	Scope
29	Date of most recent previous report (if any)	●	β	Scope
30	Reporting cycle (such as annual, biennial)	●	β	Scope
31	The contact point for questions regarding the report or its contents	●	β	Contact
32	The "in accordance" option the organization has chosen GRI Content Index for the chosen option	●	β	UCB: creating value for patients Reporting principles
	The reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be "in accordance" with the Guidelines	●	β	Assurance report
33	The organization's policy and current practice with regard to seeking external assurance for the report	●	β	Assurance report
	The scope and basis of any external assurance provided	●	β	Assurance report
	Relationship between the organization and the assurance providers	●	β	Assurance report
	Whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report	●	β	Reliability

## Category: Governance

34	The governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decisionmaking on economic, environmental and social impacts	●	β	See Annual Report 2017
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## Category: Ethics and integrity

56	The organization's values, principles, standards and norms of behaviour	●	β	Building an agile organization
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β Indication that Standard Disclosure item is externally assured

● Full disclosure

◐ Partial disclosure

## SPECIFIC STANDARD DISCLOSURE

### Category: Economic

#### Disclosures on Management Approach on Material Aspects

For each of the aspects described below an explanation as why this aspect is material to UCB can be found in the body of the report. Those material aspects are managed by functions in charge throughout the company worldwide.

#### Aspect: Economic performance

EC1	Direct economic value generated and distributed	●	β	See Annual Report 2017
EC3	Coverage of the organization's defined benefit plan obligations	●	β	See Annual Report 2017

#### Aspect: Market presence

EC6	Proportion of senior management hired from the local community at significant locations of operation	●		Talent and diversity
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### Category: Environmental

#### Disclosures on Management Approach on Material Aspects

For each of the aspects described below an explanation as why this aspect is material to UCB can be found in the body of the report. Those material aspects are managed by functions in charge throughout the company worldwide, especially the Health, Safety and Environmental departments as well as suppliers, contract manufacturing organization and distributors.

#### Aspect: Energy

EN3	Energy consumption within the organization	●	β	Energy Environmental data
EN6	Reduction of energy consumption	●		Energy Environmental data

#### Aspect: Water

EN8	Total water withdrawal by source	●	β	Water Environmental data
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#### Aspect: Emissions

EN15	Direct greenhouse gas (GHG) emissions (scope 1)	●	β	Energy Environmental data
EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	●	β	Energy Environmental data
EN17	Other indirect greenhouse gas (GHG) emissions (scope 3)	◐		Energy Environmental data

β Indication that Standard Disclosure item is externally assured

● Full disclosure

◐ Partial disclosure

**Aspect: Effluent and waste**

EN23	Total weight of waste by type and disposal method	● β	Waste Environmental data
EN24	Total number and volume of significant spills	● β	Environmental data
EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention, and percentage of transported waste shipped internationally	● β	Environmental data

**Category: Social****Sub-category: Labor practices and decent work****Disclosures on Management Approach on Material Aspects**

For each of the aspects described below an explanation as why this aspect is material to UCB can be found in the body of the report. Those material aspects are managed by functions in charge throughout the company worldwide, under the leadership of the Talents and Company Reputation department.

**Aspect: Employment**

LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	● β	Talent and societal data
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**Aspect: Occupational health and safety**

LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	◐	Health and safety Talent and societal data
LA7	Workers with high incidence or high risk of diseases related to their occupation	◐	Health and safety

**Aspect: Training and education**

LA9	Average hours of training per year per employee by gender, and by employee category	● β	Talent, training and knowledge sharing Talent and societal data
LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	◐	Talent and review

**Aspect: Diversity and equal opportunity**

LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	● β	Talent and societal data
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β Indication that Standard Disclosure item is externally assured

● Full disclosure

◐ Partial disclosure

## Sub-category: Human Rights

### Disclosures on Management Approach on Material Aspects

For each of the aspects described below an explanation as why this aspect is material to UCB can be found in the body of the report. Those material aspects are managed by functions in charge throughout the company worldwide under the leadership of the Talent and Company Reputation and Legal Affairs departments.

#### Aspect: Investment

HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	● β	Responsible and ethical business conduct Talent, training and knowledge sharing
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#### Aspect: Non-discrimination

HR3	Total number of incidents of discrimination and corrective actions taken	●	No incidents
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#### Aspect: Child labor

HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	◐	Responsible and ethical business conduct Human rights
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#### Aspect: Belgian legislation

HR*	Number of findings in audits of suppliers and partners relative to human rights and outcomes	◐	Human rights
HR**	Number of findings in Integrity Due Diligence of new suppliers and partners relative to human rights and outcomes	◐	Human rights

## Sub-category: Social

### Disclosures on Management Approach on Material Aspects

For each of the aspects described below an explanation as why this aspect is material to UCB can be found in the body of the report. Those material aspects are managed by functions in charge throughout the company worldwide under the leadership of the Talent and Company Reputation and Legal Affairs departments.

#### Aspect: Anti-corruption

SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	◐	Responsible and ethical business conduct Human rights
SO4	Communication and training on anti-corruption policies and procedures	● β	Anti-bribery and anti-corruption
SO5	Confirmed incidents of corruption and actions taken	◐	Anti-bribery and anti-corruption

β Indication that Standard Disclosure item is externally assured

● Full disclosure

◐ Partial disclosure

**Aspect: Public policy**

SO6	Total value of political contributions by country and recipient/beneficiary		Stakeholder dialogue
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**Aspect: Anti-competitive behavior**

SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes		Stakeholder dialogue
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**Aspect: Compliance**

SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		Stakeholder dialogue
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**Aspect: Belgian legislation**

SO*	Number of findings in audits of suppliers and partners relative anti-bribery and anti-corruption, and outcomes		Anti-bribery and anti-corruption
SO**	Number of findings in Integrity Due Diligence of new suppliers and partners relative to anti-bribery and anti-corruption, and outcomes		Anti-bribery and anti-corruption

**Sub-category: Product Responsibility****Disclosures on Management Approach on Material Aspects**

For each of the aspects described below an explanation as why this aspect is material to UCB can be found in the body of the report. Those material aspects are managed by functions in charge throughout the company worldwide under the leadership of the Global Regulatory Affairs, Drug Safety and Information Intelligence and Integrity departments.

**Aspect: Customer health and safety**

PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement		Product responsibility
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes		Product responsibility

**Aspect: Product and service labelling**

PR3	Type of product and service information required by the organization's procedures for product and service information and labelling, and percentage of significant products and service categories subject to such information requirements		Product responsibility
PR5	Results of surveys measuring customer satisfaction		Product responsibility

**Aspect: Marketing communications**

PR6	Sale of banned or disputed products		Product responsibility
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes		Product responsibility

**Aspect: Customer privacy**

PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data		Product responsibility
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β Indication that Standard Disclosure item is externally assured

 Full disclosure

 Partial disclosure

### Sub-category: Access to care for persons living with epilepsy in resource-poor countries

#### Disclosures on Management Approach on Material Aspect

For each of the aspects described below an explanation as why this aspect is material to UCB can be found in the body of the report. Those material aspects are managed by the Corporate Societal Responsibility department.

AC1	Total number of persons living with epilepsy having improved access to education, diagnosis and treatment in selected countries or provinces		Providing access to epilepsy care in resource-poor countries
AC2	Total number of persons in communities having participated in epilepsy awareness programs in selected countries or provinces		Providing access to epilepsy care in resource-poor countries
AC3	Total number of health care staff having participated in neurology training programs		Providing access to epilepsy care in resource-poor countries

### Sub-category: Employee engagement

#### Disclosures on Management Approach on Material Aspect

For each of the aspects described below an explanation as why this aspect is material to UCB can be found in the body of the report. Those material aspects are managed by functions in charge throughout the company worldwide under the leadership of the Talent and Company Reputation and Corporate Societal Responsibility departments.

EE1	Number (percentage) of colleagues engaging in UCB Voices		UCB Voices
EE2	Number (percentage) of colleagues completing the mandatory training programs		Talent, training and knowledge sharing
EE3	Number of initiatives in support of environmental sustainability and sensibilization organized by colleagues		Communities
EE4	Number of initiatives in support of UCB's CSR patient initiatives in resource-poor countries organized by colleagues		Corporate giving

# Assurance report

## Independent limited assurance report on the UCB Sustainability Report 2017

This report has been prepared in accordance with the terms of our three year engagement contract dated 1 October 2015, whereby we have been engaged to issue an independent limited assurance report in connection with selected data, marked with a Greek small letter beta ( $\beta$ ), of the Sustainability Report as of and for the year ended 31 December 2017 (the "Report").

### Responsibility of Board of Directors

The Board of Directors of UCB SA ("the Company") is responsible for the preparation of the selected indicators for the year 2017 marked with a Greek small letter beta ( $\beta$ ) in the Sustainability Report of UCB and its subsidiaries and the declaration that its reporting meets the requirements of the Global Reporting Initiative (GRI) G4 – Core (the "Subject Matter Information"), in accordance with the criteria disclosed in the Report and with the recommendations of the GRI G4 (the "Criteria").

This responsibility includes the selection and application of appropriate methods for the preparation of the Subject Matter Information, for ensuring the reliability of the underlying information and for the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility of the Board of Directors includes the design, implementation and maintenance of systems and processes relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an independent conclusion about the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information". This standard requires that we comply with ethical requirements and that we plan and perform the engagement to obtain limited assurance as to whether nothing has come to our attention that causes us to believe that the Subject Matter Information is not fairly stated, in all material respects, based on the Criteria.

The objective of a limited-assurance engagement is to perform the procedures we consider necessary to provide us with sufficient appropriate evidence to support the expression of a conclusion in the negative form on the Subject Matter Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The selection of such procedures depends on our professional judgment, including the assessment of the risks of

management's assertion being materially misstated. The scope of our work comprised the following procedures:

- assessing and testing the design and functioning of the systems and processes used for data-gathering, collation, consolidation and validation, including the methods used for calculating and estimating the Subject Matter Information as of and for the year ended 31 December 2017 presented in the Report;
- conducting interviews with responsible officers including site visits;
- inspecting internal and external documents.

We have evaluated the Subject Matter Information against the Criteria. The accuracy and completeness of the Subject Matter Information are subject to inherent limitations given their nature and the methods for determining, calculating or estimating such information. Our Limited Assurance Report should therefore be read in connection with the Criteria.

### Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our audit firm applies International Standard on Quality Control (ISQC) n° 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Conclusion

Based on the procedures performed, as described in this Independent Limited Assurance Report, and the evidence obtained, nothing has come to our attention that causes us to believe that the selected indicators for the year 2017 marked with a Greek small letter beta ( $\beta$ ) in UCB's Sustainability Report 2017, and UCB's assertion that the report meets the requirement GRI G4 – Core, is not fairly stated, in all material respects, in accordance with the Criteria.

### Restriction on Use and Distribution of our Report

Our assurance report has been made in accordance with the terms of our engagement contract. Our report is intended solely for the use of the Company, in connection with their Sustainability Report as of and for the year ended 31 December 2017 and should not be used for any other purpose. We do not accept, or assume responsibility to anyone else, except to the Company for our work, for this report, or for the conclusions that we have reached.

Sint-Stevens-Woluwe, 21 February 2018

PwC Bedrijfsrevisoren bcvba  
Represented by

**Marc Daelman**  
Registered auditor

## CSR TEAM



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