



UCB Modern Slavery Act Statement 2021



Inspired by **patients.**
Driven by **science.**

Introduction

This statement is made pursuant to section 54 of the UK Modern Slavery Act 2015. UCB is a global group of companies under the holding company UCB S.A., incorporated in Belgium. This statement is prepared for the following UCB companies operating in the UK:

- UCB Pharma Limited
- Celltech R&D Limited
- UCB Celltech (the UK registered establishment of UCB Pharma SA)
- UCB Biopharma UK (the UK registered establishment of UCB Biopharma Srl)

This statement refers to the financial year ending 31 December 2021 and sets out the steps we have taken to address modern slavery risks in our business and supply chains.

UCB structure, operations and supply chain

UCB is a global biopharmaceutical company operating in 36 markets, with a focus on neurology and immunology. We research, develop, manufacture, distribute, market and sell pharmaceutical products. UCB is continuously working to advance science and embrace innovation. We are leveraging scientific advances and skills in areas such as genetics, biomarkers and human biology. Our scientists collaborate with leading researchers from academia and industry to advance science and deliver the solutions patients need. Our open approach to innovation equips us to meet today's biggest healthcare challenges.

In 2021, we touched the lives of over 3.7 million patients around the world by ensuring continuity of supply and distribution chains. Total revenue grew to €5.8 billion (£4.9 billion) in 2021, to which the UK contributed 2.2%. We employ over 8,500 employees across 36 markets, of which 10% are employed in the UK. We also regularly utilise agency workers and consultants to supplement our workforce, some of whom work on-site at UCB premises and others who work remotely. UCB entities in the UK employed 305 contractors during 2021.

We have global commercial, research and manufacturing operations with our main research centres and manufacturing sites based in Europe, the US and Asia. The UK has commercial operations and is one of three research hubs. Further information on our business can be found in our [Annual Report](#).

UCB's supply chains are global and complex. Through our global supply chain organisation, we ensure end-to-end oversight of supply from raw material procurement to delivery, either through distribution centres or third-party distributors. We partner with strategic suppliers, contract manufacturing organisations (CMOs) and contract research organizations for the purposes of

- supporting our research and development,
- production and delivery of medicines to patients, and
- to procure goods and services necessary to operate our business, such as IT, facilities management - and specialist agency support.



In 2021, UCB UK entities accounted for 5.9% of global spend. Of this, 80% was distributed across 50 suppliers, who provided labour, laboratory equipment and supplies, professional and creative services and logistics. Of these 50 suppliers, 73% are UK-based companies, the remainder are based in Europe or the US.

Policies and governance

The [UCB Code of Conduct](#) is our governing policy that reflects UCB's core company values, including our commitment to sustainability and ethical business practices, which covers human rights. The Code outlines the general principles of business conduct that are expected from UCB colleagues and partners throughout the world.

We have an established process and affiliated systems in place for employees to raise concerns and to protect reporters from retaliation and identification. Furthermore, the [UCB Integrity Line](#) is available on our corporate website allowing anyone outside of the organisation to report any concerns or questions concerning the Company and its policies and practices, concerns about unlawful conduct, or any other wrongdoing.

UCB's policies regarding employee rights and conditions (including those related to recruitment, hiring, discharge and promotion) aim to ensure that UCB's employees receive fair and reasonable remuneration commensurate with their job description and experience and that working conditions are compliant with local laws and UCB's ethical standards. UCB is committed to treating all employees with fairness and respect and will not tolerate any kind of discrimination or unfair treatment, such as may arise out of modern slavery.

As a company, we recognise that we have the moral responsibility and social obligation to make responsible decisions that guarantee both human and environmental health. At UCB, we have a key role to play to ensure a sustainable future for all. We believe that the best way to have a positive impact on society is by engaging with our suppliers and integrating into our supply chain requirements, specifications and criteria that are compatible with our sustainability strategy. The [Suppliers Code of Conduct](#) forms a key part of our efforts to drive sustainability, outlining UCB's set of values and principles that it expects suppliers should follow.

Risk management

Engaging with key representatives from all operational, functional, and strategic business areas, risks are identified and assessed by each business area and the respective leadership team. In addition, a 'top-down/outside-in' assessment is conducted to complete a holistic risk profile. To maximise the impact, top risks are connected to the strategic priorities. An understanding of both how the risk is trending and how well UCB is prepared to respond, is communicated to and discussed with both, our Executive Committee and our Board of Directors.

'Human rights' is identified as a UCB enterprise risk, but not considered a top risk in 2021 as it did not reach the threshold defined for the top risks. To date, no report of modern slavery associated with UCB or its suppliers has been identified to the company.

Considering the nature of our operations, UCB monitors our relationships with third parties, since this is the area where risks related to modern slavery are most likely to materialise. These third parties include our supply chains (i.e., purchasing of goods and services) and agency workers, and particularly in countries where we operate which may be regarded as higher risk. Our Code of Conduct, a robust due diligence process and audits conducted by our Global Internal Audit team aim to mitigate these risks.

Third party supplier due diligence

For new suppliers, UCB conducts integrity due diligence involving an in-depth assessment of specific risks (e.g. anti-bribery, financial, quality, compliance) relating to certain critical standards (e.g. internal control environments, codes of conduct, compliance to laws, regulations and policies, corporate sustainability). The outcome of the due diligence process may impact UCB's decision to engage with the proposed supplier or trigger other actions, such as specific monitoring of the supplier's activities and processes or specific training on industry and UCB standards reflected in our Code of Conduct. Where UCB enters a contractual relationship with suppliers we take steps to ensure adherence to these principles, for example through appropriate clauses in our contracts.

Our monitoring of suppliers includes, where appropriate, having the contractual right to perform compliance audits and screening of adverse media reports for human rights concerns. Any concerns identified are assessed in detail to ensure appropriate decisions and actions are taken, such as those referred to above or otherwise prematurely ending the relationship, if substantiated evidence is identified.

UCB continues to use EcoVadis as its partner to assess our suppliers on dimensions such as environmental protection, labour and human rights, and ethical business practices. Assessment outcomes are discussed with suppliers and where necessary, mitigation plans agreed to improve practices. Outcomes and mitigation plans are reviewed twice a year with the suppliers. In 2021, UCB increased the number of suppliers included in the EcoVadis sustainability performance audit to 229 suppliers, accounting for 30% of our spend. In the UK, 8 of our top 50 suppliers have been assessed by EcoVadis, accounting for 35% of spend.

For our key strategic partners, we also collaborate with RiskMethods, a supply chain risk management software that identifies potential risks in our supply chain in terms of labour practice and human rights, fair business practices, ethics and environmental impact.

Training

In 2021, a new Code of Conduct was developed to reinforce the ethical principles and commitments which drive our decisions and actions. This new version, *UCB Code of Conduct: our Ethics in Action*, was written to express UCB's commitment to ethics and the importance of having our guiding ethical principles and commitments on key topics be incorporated into everything we do. The Code was developed using input from various groups within the organization, as well as from contractors, vendors, and external experts.

The new Code has been rolled out early in 2022 with a dedicated internal website and online training for all employees. The Code of Conduct is available in 23 languages and on our internal and external [corporate websites](#). Third parties are also expected to acknowledge and adhere to the principles of the Code of Conduct, and this expectation is reflected in our [Supplier Code of Conduct](#) and in their legal agreements with UCB where necessary.

In 2021, employees completed the Code of Conduct training, generating an overall global completion rate of 95%.

In 2021, we launched a revised version of our global process on the reporting and handling of misconduct and inappropriate behaviours at UCB as well as an improved version of the UCB Integrity Line. We also ran a global Speak-Up campaign which triggered significant engagement from UCB leaders and employees across the different regions.

Collaborations

UCB decided to join forces with other pharmaceutical companies in the area of sustainability and joined two initiatives: the Responsible Health Initiative ([RHI](#)), and Pharmaceutical Supply Chain Initiative ([PSCI](#)) which both aim to leverage the influence, resources and expertise of other members. Both programs have their specific characteristics but have in common the aim to improve the visibility, efficiency and sustainability impact of the global health supply chain. Through these initiatives, UCB pursues different objectives: increase visibility, improve recognition and collaboration, encourage and build the sustainability performance of suppliers, share best practices and maximise our outreach.

UCB is also a corporate member of Business for Social Responsibility ([BSR](#)). One of their current initiatives is 'Global Business Coalition Against Human Trafficking' which focuses on advancing cross-industry progress to combat modern slavery in global supply chains.

Monitoring and evaluation

UCB measures its conduct and performance in sustainability areas against Key Performance Indicators (KPIs), including human rights. These include KPIs which are in line with the Global Reporting Initiative (GRI), a global standard for sustainability reporting, as well as progress on the UN Global Compact 10 Principles. Our performance for 2021 is reported in our [2021 Integrated Annual Report](#) (pages 292 - 304), which confirms that no event of infringement of human rights was identified.



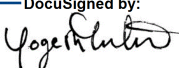
Next steps

UCB will continue to monitor areas where improvements can be made in our operations, processes and procedures to further minimise the risks of modern slavery and human trafficking occurring in our business and supply chains, including, but not limited to, conducting risk assessments of third parties and our supply chain. UCB will further develop tools, processes and training with respect to identifying and engaging with our employees, suppliers and other business partners in relation to risks associated with modern slavery and other human rights infringements.

This includes further developing our third-party framework and establishing a cross-functional working group to further understand human rights risks across the organisation, our supply chain and other rights holders. The results and recommendations of the working group will be presented to the UCB Board to assess and plan future actions.

This statement has been reviewed and approved by the Boards of Directors of the UCB entities listed and signed on behalf of each company respectively.

- Approved by the board of directors of UCB Pharma SA on 15 June 2022.
- Approved by the board of directors of UCB Biopharma Srl on 29 June 2022.
- Approved by the board of directors of Celltech Group Limited, the holding company of UCB Pharma Limited and Celltech R&D Limited, on 13 July 2022.

DocuSigned by:

 6DFFD13E05BF438...

Yogesh Khatri

Celltech Group Limited

Director

UCB Celltech (UK registered establishment of UCB Pharma SA)

Authorised Representative

DocuSigned by:

 3D15A1B8E08749A...

Alistair Henry

UCB Biopharma UK (UK registered establishment of UCB Biopharma Srl)

Authorised Representative