

## UCB – AGM 2021 – Speech Jean-Christophe Tellier, CEO UCB

Inspired by patients - driven by science.

**Disclaimer: spoken word prevails.**

*Dear shareholders of UCB, Ladies and Gentlemen,*

*Beste aandeelhouders, Dames en Heren,*

*Chers actionnaires, Mesdames et Messieurs,*

Hello, and welcome. We are pleased you could join us today for this Annual General Meeting. This virtual event is an opportunity for us to present our results and share with you our vision, our ambitions, and our goals for the future.

I don't have to tell you that 2020 was a year influenced by exceptional circumstances. The pandemic tested many companies' agility and resilience, including ours. I am incredibly proud of the adaptability and ongoing dedication that UCB colleagues, partners and shareholders showed. That's why I want to open by thanking each and every one of you who supported us and made our achievements in 2020 possible. Before I delve into the detail of 2020, let's first glance back at the past twelve months. While we can see the pandemic disrupting many aspects of our lives like never before and increasing uncertainty, it was also an accelerator for many emerging trends shaping our environment: the need to adapt accelerated innovation and digital transformation. At the same time, the world continued to shape its sustainability aspirations. The journey we are on with our Patient Value Strategy since a few years, prepared us well to face these challenges. We had the foundations in place to address the acceleration COVID triggered whether it was in our patient focus, our ways of working or in digitalization. Our clear purpose to bring value to patients now and into the future was our north star and helped us navigate these exceptional times.

Here at UCB, we saw innovation gather pace toward new modalities and personalized solutions for patients. Digital transformation has driven innovation forward, creating new business models and value pools – including the Microsoft and Stanford collaborations we're proud to be part of. And 2020 also reminded us of all of the great things our industry can accomplish when we collaborate to tackle shared, global health challenges. Meanwhile, sustainability and societal value aspirations continue to question current business models with increasing uncertainty around access, pricing, demand, and global supply networks.

These trends underline how critical it is for us to have our sense of purpose to guide us. We continue to focus on creating value for people living with severe diseases now and into the future while ensuring a sustainable business approach. That means three things: firstly, discovering, developing and bringing to market medicines that deliver unique and differentiated outcomes for people living with severe diseases; secondly, creating the best experience for patients; and, last but by no means least, ensuring patients who need our drugs have access to them. To fulfil this ambitious agenda, we are acutely aware that we must create the right conditions for UCB employees, the communities in which we operate, and our shareholders.

Thanks to our resilient teams, 2020 was another excellent year for UCB. We delivered strong results, proving once again that we can be confident that our current growth strategy supports our ability to care, grow and deliver – and I'll look into each of these shortly. To continue to succeed in each of these areas, at UCB, we must also be mindful that we need to be even more focused and ensure we deliver on our commitments,

now and into the future. But rest assured that our sense of purpose will help us engage our teams and stimulate the energy and resilience needed to succeed in our aims in these difficult times.

Firstly, our ability to **deliver care** where it's needed.

Despite the challenges created by the COVID-19 pandemic, our commitment to people and patients never wavered. In parallel, we also supported each other, our wider communities and the global scientific efforts to fight the pandemic:

- The pandemic meant people already living with the complexities of severe diseases faced more challenges than ever before. UCB remained focused on reassuring patients' concerns and providing new sources of support, positively impacting more than 3.5 million patients' lives. We also delivered the solutions they needed in a timely and uninterrupted manner.
- UCB aimed to ensure every employee felt supported, prioritizing their health and safety and supplying them with the resources they needed to navigate uncertainty. These included for example mental health resources, tools for managing family and home schooling, and support for those experiencing severe and unusual hardship.
- We engaged with communities impacted by the pandemic. Globally, we dedicated a one-off budget of 1.5 million Euros to assist communities across the world with both financial and in-kind donations of much-needed supplies. We also made our expertise and facilities available to governments and health authorities; in Belgium, for instance, to increase virus testing and monitoring.
- We partnered with other pharmaceutical companies and academics to identify and accelerate promising therapeutic candidates for COVID-19 and its related symptoms as part of the COVID R&D Alliance. And we joined the COVID Moonshot to accelerate the development of a COVID-19 antiviral.

2020 also saw the launch of our global UCB Community Health Fund. While this is a longer-term project, its initial focus is on understanding and reducing the medium and long-term impacts of the COVID-19 pandemic on vulnerable populations' physical, mental, and social wellbeing in the communities where we operate.

Secondly, our ability to **sustain growth**.

UCB's performance for 2020 has, as I said earlier, confirmed our company's sustained growth. The resilient UCB product portfolio drove company growth in 2020, despite the pandemic. Looking at our top-performing assets we keep connecting our science to patients:

- **Cimzia**, for people living with autoimmune and inflammatory TNF mediated diseases, reached net sales of 1,799 million Euros in the financial year 2020 driven by continued growth in the U.S. and stable net sales in Europe despite volume growth, reflecting the competitive landscape. Strong growth contributors were new patient populations in psoriasis and psoriatic arthritis. We believe it is well-placed to achieve peak sales above two billion Euros by 2024.
- Our **epilepsy portfolio** is performing well, with more than three million patients using epilepsy medicines – marking UCB as the world-leader in epilepsy. In the financial year 2020:
  - o Vimpat® achieved 1,451 million Euros in net sales;
  - o Briviact® achieved 288 million Euros in net sales;

- Keppra® achieved 788 million Euros in net sales – just to note that the UCB team took over distribution of E Keppra in Japan from partner Otsuka in October; and
- Nayzilam® was launched in December 2019 and achieved 26 million Euros in net sales in 2020.
- **Evenity®**, for the treatment of severe osteoporosis in postmenopausal women at high risk of fracture, reported net sales of € 2 million, impacted by the pandemic which significantly impedes outreach to new patient populations. Evenity® is being launched globally by Amgen, Astellas and UCB since 2019, with net sales outside Europe reported by Amgen and Astellas.

Thirdly our **ability to deliver** is on track, despite the pandemic.

- We brought more value to more patients by adding two medicines to the UCB portfolio in 2020. In December 2019, we launched the first nasal rescue treatment for epilepsy seizure clusters in the U.S. – that's Nayzilam® (midazolam) Nasal SprayCIV. In March 2020, under pandemic conditions, we saw the first European launches of Evenity® to treat severe osteoporosis in postmenopausal women at high risk of fracture.

And our **clinical trial timings** are, as of today, on track despite the pandemic. In 2020, we have four products in Phase 3 trials: *bimekizumab*, *zilucoplan*, *rozanolixizumab*, and *dapimab*. And we have demonstrated over the past two years notable differentiation in psoriasis with our late-stage asset *bimekizumab*, which now has found positive Phase 3/3b trial results. Following this, the U.S. Food and Drug Administration (FDA) and European Medicines Agency (EMA) accepted our marketing application submissions for *bimekizumab* to treat adults with moderate-to-severe plaque psoriasis aiming to make a real difference in these patients life. I'd also like to highlight how we embrace the latest medical science in a dynamic world where there are many new frontiers in science and technology. We completed several acquisitions and partnerships during 2020, and these will help us bring true value to patients while delivering on our strategic agenda:

- We successfully closed our acquisition of **Ra Pharma** in April 2020, which added the phase 3 asset zilucoplan to our pipeline.
- In June 2020, we acquired **Engage Therapeutics** with Staccato alprazolam for epileptic seizures.
- In July 2020, **UCB and Ferring Pharmaceuticals** entered into a co-promotion agreement for Cimzia in Crohn's Disease in the U.S.
- That same month we entered into a partnership with **Genentech/Roche** in Alzheimer's Disease.
- Our acquisition of **Handl Therapeutics** BV in November 2020 augments UCB's existing early gene therapy activities, which we complemented with a R&D collaboration with **Lacerta Therapeutics**.

Moving on to look at our **2020 financial and extra-financial performance figures**.

In 2020, we generated revenue of 5.3 billion Euros, up 9%, of which 5.1 billion was net sales, an increase of 8%. Our underlying profitability reached 1.4 billion Euros, an increase of 1%, representing 27% of revenue – these figures are above or at the upper end of our guidance for 2020 shared with you early 2020. The Board of Directors of UCB proposes a dividend of € 1.27 per share (gross), +2%.

In 2020 we also developed new extra-financial key performance sustainability indicators (KPIs) and started reporting on our performance in relation to access to medicines and employee health, safety and wellbeing

while continuing to report progress on our health of the planet targets. Our commitment to driving business, social and environmental impact spans our entire company and is interwoven into our day-to-day business activities and supported by a sustainability governance framework established in 2020 and comprised of two bodies: our Sustainability Governance Committee is an internal initiative to monitor progress on our journey, while the External Sustainability Advisory Board (ESAB) that gathers external experts to provide an outside perspective on our approach.

Moving forward we expect to continue on the path of our sustainable growth.

We confirm all timelines for UCB's clinical development programs as communicated at the occasion of our FY 2020 report end of February. UCB will continue to monitor the impact of COVID-19 on all ongoing clinical trials and will implement changes as necessary. As announced in February, we are going to investigate our FcRn antibody rozanolixizumab in an additional patient population: people living with Autoimmune encephalitis (AIE) – a rare and serious medical condition, in which the immune system attacks the brain - leading to epileptic seizures, movement disorders as well as onset of cognitive decline in some patients. A substantial unmet need exists amongst people living with AIE facing symptoms that negatively impact their ability to live the life they want to live. There is no therapy approved for AIE. UCB's clinical development program with rozanolixizumab in AIE will start with a phase 2 study in this patient population during the third quarter this year. First results are expected in Q4 2023.

Psoriasis is a common, chronic inflammatory disease with primary involvement of the skin. This skin condition affects men and women of all ages and ethnicities. Approximately 125 million people worldwide are living with psoriasis, nearly three percent of the world's population. To serve this patient population, we have developed and tested Bimekizumab, a humanized monoclonal IgG1 antibody that selectively and directly inhibits both IL-17A and IL-17F, two key cytokines driving inflammatory processes. Regulatory review of the safety and efficacy of bimekizumab is underway in the U.S., Europe and Japan. After the filings in the U.S. and the EU in September 2020, we also filed the dossier for marketing authorization for bimekizumab in psoriasis with the Japanese authorities during the first quarter 2021.

Results from the Phase 3b BE RADIANT study were shared last week as a late-breaking oral presentation at the American Academy of Dermatology Meeting. BE RADIANT is the first Phase 3 study to compare the efficacy and safety of dual IL-17A and IL-17F inhibition versus IL17A inhibition alone, and the first study to demonstrate superiority to Cosentyx® (secukinumab) for complete skin clearance (PASI 100) at both weeks 16 and 48. Results published reflect the high rates of skin clearance at week 16, rapid response after one dose and durability of response up to one year seen with bimekizumab in previous studies. We have delivered multiple studies illustrating the robustness of our approach and our preparedness to bring this differentiated solution to patients. We are in full swing to launch bimekizumab in the U.S. and Europe – subject to regulatory approval - expected during the second half of this year.

**For 2021**, we aim for total revenue of between 5.45 and 5.65 billion Euros with underlying profitability of between 27% and 28% of total revenue. For the first months of 2021, we see the continuation of the good performance in 2020 – in-line with our expectations and in-line with our just mentioned guidance for 2021. Based on UCB's current assessment of the Covid-19 pandemic and its implications, we remain confident in the fundamental underlying demand for our products and our prospects for long-term growth. We will

continue to closely follow the evolving COVID-19 pandemic and its implications diligently to assess potential near- and mid-term challenges.

We continue this year to strengthen our extra-financial reporting and disclose more granular progress on diversity, equity and inclusion and our ethical business practices while reporting the progress made on access of patients to our solutions and health, safety and well-being within UCB. We will also for the first time report on the UN Global Compact's 10 principles at the end of 2021. We are on the right track to be carbon neutral in 2030 as per our commitments to the Science-Based Targets initiative.

Looking again at the **longer term**, we aim to lead in specific patient populations by 2025, creating value for people living with partial onset/focal epileptic seizures, psoriatic arthritis, osteoporosis-related fractures, myasthenia gravis, and for sub-populations of woman of childbearing age. We aim to achieve this based on our patient value strategy, robust portfolio and promising late-stage pipeline. For 2025, we expect revenue to reach at least six billion Euros with underlying profitability in the low to mid-thirties despite several patent expirations, specifically Vimpat in 2022 and Cimzia in 2024.

Coming back to 2021, many of the challenges we faced last year remain with us this year as the world continues to grapple with COVID-19. However, thanks to dedicated researchers, healthcare professionals and civil society organizations, there is now hope in the form of multiple vaccines and treatments.

As we all look to the future, no matter how distant it feels right now, we hope we can be strengthened by the lessons learned from and our reflections on 2020. For UCB, we firmly believe we can and will continue to adapt and thrive, delivering better care for all who need it, now and into the future.

In parallel with the evolution of our company, we see the **evolution of our Board of Directors**. I would like to start by saying a special thank to our Chair of the Board, Evelyn du Monceau, who has reached the statutory age limit and is stepping down as Chair and Director of the Board of UCB SA/NV. Evelyn will retire from the Board, having served as a member for more than 35 years and as its Chair for the past four years. Her expertise and guidance have been invaluable. Evelyn has always demonstrated an unwavering commitment to advancing better care and treatment solutions for patients with unmet needs. We are deeply grateful for how she contributed to guide UCB on its transformation and growth journey. On behalf of UCB and all its collaborators, and on a personal note, I would like to thank you, Evelyn.

And as we say goodbye to Evelyn, we welcome her successor, Stefan Oschmann. On behalf of the company, I would like to wish Stefan the greatest success in this new position. I am sure we will be able to count on his support to continue to make UCB a patient-inspired and science-driven company. I would also like to welcome Fiona du Monceau, who becomes Vice-Chair of the Board, and Jonathan Peacock, who becomes the Chair of the Audit Committee.

As well as saying goodbye to Evelyn, I would also like to thank Roch Doliveux, who is also leaving the Board after years of precious guidance and great service to the company, and to greet Professor Susan Gasser as a new member of UCB's Board of Directors.

Finally, I would like to also thank Price Waterhouse Cooper (PwC) for their support as they leave the role as Statutory Auditor and to welcome their successor Mazars Bedrijfsrevisoren – Réviseurs d'Entreprises CVBA/SCRL.



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

Last, and by no means least, I would like to thank all our shareholders for your continued support. I am incredibly humbled by the commitment you have shown UCB over the past years and especially during this extraordinary year 2020.