



Shukra, living with epilepsy



# Sustainability Report 2016



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

# Sustainability Report 2016

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# UCB: creating value for patients

UCB aims to be the patient preferred biotech leader, creating value for persons 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).

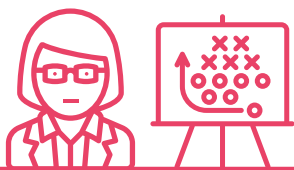
Creating value for the patient is UCB's way to address patient needs. Our value creation model starts with insights from patients and ensures that our scientific expertise enables us to identify unique solutions. Ultimately our solutions inspire patient's lives and ensure that they live the life they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

The Sustainability Report 2016 describes the commitment and the efforts in bringing health and health solutions to patients and their families. Furthermore, it illustrates our commitment meeting 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.

Considering the evolution in the environmental and the materiality aspects to the company, a comprehensive review is performed by the Corporate Societal Responsibility ("CSR") Board.

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 last year.



€ **15.9** MILLION

INVESTED IN TRAINING AND DEVELOPMENT



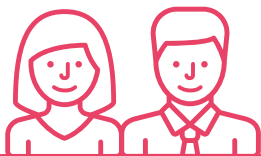
€ **4.25** MILLION

COMMUNITY SPONSORSHIPS



**97%**

WASTE RECOVERED



**50/50(%)**

WOMEN/MEN



**87%**

UCB IS A SOCIALLY RESPONSIBLE COMPANY



**9**

CSR PROJECTS

# 1. Letter to the stakeholders

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

UCB's ambition is to be the patient preferred biotech leader, creating value for millions of patients whilst delivering sustainable company growth as well as sustainable shareholder value.

Our strategy requires innovation, focus and agility and therefore an evolution to an integrated business model with 'biotech characteristics', impacting each part of our value chain. Our operating model from patient to science, from science to solution and from solution to patient is based on understanding the patient needs to deliver compelling value propositions.

We, at UCB, are progressively implementing our Patient Value Strategy. In an environment of pressured healthcare budgets, increasing involvement of patients in their own healthcare and the potential of scientific and technological innovation overall healthcare will shift towards recognition of true differentiation, outcome orientation and value generation.

Our Patient Value Strategy is going beyond price-cost discussion, reflecting a shift from volume orientation to patient value creation and striving for long-term sustainable patient value outcomes.

### To achieve these goals:

- | We integrate patient insights and focus on patient value at every step in our value chain, from research to commercialization;
- | We focus on specific patient populations within our current therapeutic areas: immunology, neurology and bone;
- | We build up our scientific capabilities and networks to enhance our competitive innovation strengths;
- | We progress innovative assets outside our core focus via partnerships, to create new royalty income flow in the mid-term – we call this 'biotech characteristics' of our strategy. Examples in the past are royalties for an overactive bladder treatment. In the future this might be a royalty stream from CMC544, a new potential cancer treatment from our research and currently under regulatory review;
- | We continue to nurture and foster our patient value culture to ensure strategy execution.

We are progressing on our growth path with our three strategic phases:

### 1. Today, we are in the grow & prepare phase:

- | We continue to grow positive momentum on Cimzia®, Vimpat®, Neupro® and the newly launched Briviact®;
- | We carefully prepare the launch Evenity™ (*romosozumab*) for people living with osteoporosis;
- | We carry on broadening our early pipeline

### 2. The accelerate & expand phase will follow

- | We accelerate uptake of Briviact® and Evenity™ while maximizing the potential of Cimzia®, Vimpat® and Neupro®;
- | We invest in R&D and emphasize the innovation focus.
- | We enhance our financial and strategic flexibility and realize income from assets outside our core focus.

### 3. During the breakthrough & lead phase

- | We compensate the loss of exclusivity for Cimzia®, Vimpat® and Neupro® by continuing growth from Briviact® and Evenity™
- | We successfully launch breakthrough products and accelerate growth.

Our recent performance confirms our ambition. UCB continues to deliver above industry growth, with financials that enable UCB to become the patient preferred biotech leader with a healthy balance between short-term profitability and long-term sustainable growth.

In 2016 – and as part of the Grow and Prepare Phase, we reached continuous growth of 20% for **Cimzia®**, **Vimpat®** and **Neupro®** to € 2.4 billion net sales – or better: touching the lives of 823 000 patients living with severe neurological and immunological disorders, 31% more since the start of the Growth Phase two years ago. This also reflected further expansion of our offered solutions for patients with Vimpat® in Japan, Cimzia® by the AutoClicks® prefilled pen in the EU, and the launch of Briviact® for 13 000 patients living with epilepsy in Europe and North America.





Visit of **Jean-Christophe Tellier**, CEO, DR Congo

With our partner Amgen, we saw scientific presentations of the positive results from the Phase 3 program with **Evenity™** for the treatment of osteoporosis and filing with the U.S. and Japanese authorities. Together, we prepare to bring Evenity™ to people living with osteoporosis at high risk of fracture.

Our current **early clinical pipeline is the broadest** in company history: comprising 10 different new molecular entities. We have assets focusing on specific patients within immunology and neurology, as well as innovative assets outside our core focus with the potential for partnerships.

In 2016, we generated an 8% growth of revenue to € 4.2 billion, thereof € 3.9 billion of net sales, an increase of 10%. This growth was driven by products in our core focus in neurology and immunology. Our underlying profitability – recurring EBITDA\* – improved to € 1.0 billion, a growth of 26% and representing a ratio to revenue of 25% after 21% in 2015. The net profit attributable to the UCB shareholders amounted to € 520 million, reflected also in core earnings per share of € 3.19. We are satisfied that **we reached our financial targets** for 2016. We also outperformed our recurring EBITDA\* to net debt ratio target of 1:1 – two years earlier than expected. The Board of Directors proposes a gross dividend of € 1.15 per share after € 1.10 per share in 2015 – reflecting the continuous improvement of the earnings base.

**2017 is another “Grow and Prepare” year** and we will not only continue our growth path towards our peaks sales target of at least € 3.1 billion combined net sales for Cimzia®, Vimpat® and Neupro® by 2020. We will also, with our partner, prepare and – subject to regulatory approval – launch Evenity™ in the U.S. towards the end of 2017, and later for Japan and the EU.

Supported by the growth of Cimzia®, Vimpat® and Neupro®, the continued launch of Briviact® and the substantial Keppra® franchise, we aim to reach revenue in the range of € 4.25-4.35 billion in 2017. While tracking towards our aim of a 30% recurring EBITDA\* ratio in 2018, we aim for a recurring EBITDA for 2017 in the range of € 1.15-1.20 billion, reflecting core earnings of € 3.70-4.00 per share.

To all of our employees, the Board of Directors, shareholders, partners, colleagues and those living with severe diseases: **many thanks** for your continuous support, your encouragement, your creative challenges and inspiration.

2016 was a year we will all remember: the world around us has seen tremendous change. We witnessed natural disasters, terrorist attacks, the rise of populism and question marks over the future of the European Union – leading to less stability and more uncertainty. It is thus no surprise, that changes in the healthcare systems around the world have accelerated and pressure has increased. These external changes are reflected in our strategy. We continue to implement the cultural and organizational change in our company to ensure we are fit for the future, with highly differentiated medicines that provide sustainable value to patients and stakeholders, including shareholders. With the Patient Value Strategy we will enable us to master those challenges. We still have a long way to go while we have made significant progress throughout the year – thank you for continuing our journey with us.

Sincerely,

**Jean-Christophe Tellier**  
Chief Executive Officer

**Gerhard Mayr**  
Chairman

February 2017

## 2. Year at a glance

### JANUARY

Field visit of Jean-Christophe Tellier, CEO, to Lubumbashi, Democratic Republic of Congo (DR Congo), to review the impact of our 6-year partnership with the Brothers of Charity following over 3 000 persons living with epilepsy.



### MAY

Walk for Africa organized in 22 UCB affiliates raising over € 11 000.



### MARCH

Exploring educational needs of village doctors in Nanning, Baise and Hechi (GuangXi province, China).

### FEBRUARY

Delivery of new EEG equipment to Neuropsychiatric Center Joseph Guislain (DR Congo), including a mobile EEG for consultations in remote areas.



### APRIL

'Rainbow Bridge' training of 175 health care professionals in Hohhot (Inner Mongolia Autonomous Region, China) through our partnership with project HOPE.



### JUNE

'Health and Hope Fund' provided a training program for 98 village doctors in Kunming (Yunnan province, China).

Former Intergovernmental Panel on Climate Change Vice-Chair Dr. JP van Ypersele de Strihou connected with UCB colleagues and fostered ecological awareness activities at UCB sites during the Global Green Planet Day.

Selection of two new CSR initiatives, through employee vote: Duke University in Uganda, and Handicap International in Madagascar.





## JULY

- Field visit to Kigali reviewing the impact of our partnership with the Brothers of Charity at the neuropsychiatric hospital in Ndera.
- Signing of three-year contract with OneFamilyHealth for improving access to care at various health posts in remote Rwanda.



## SEPTEMBER

- The 'Orchestrate Responsible Entrepreneurship' initiative engaged UCB colleagues in the search for patient insights in remote parts of Rwanda, together with the Brothers of Charity. Additional colleagues obtained similar patient insights during visits to Xi'an (ShaanXi province, China) and Xining (Qinghai province, China), together with project HOPE.

## NOVEMBER

- The 'Orchestrate Responsible Entrepreneurship' initiative engaged UCB colleagues in the search for patient insights in remote parts of Mozambique, together with the World Health Organization and the Ministry of Health.



## AUGUST

- The 'Orchestrate Responsible Entrepreneurship' initiative, a senior leadership program, engaged UCB colleagues attending leadership course in the search for patient insights in remote parts of GuangXi province (China), together with the BDC of Red Cross Society of China.



## OCTOBER

- The partnership with 'Rainbow Bridge' provided training to 98 healthcare professionals in Harbin (Heilongjiang province, China).
- 'Health and Hope Fund' provided a training program for 98 village doctors in Baotou (Inner Mongolia Autonomous Region, China).

## DECEMBER

- Field visit to Rwanda by Professor Dr. Paul Boon (Ghent University) to gain insights on the PhD neurology program, a partnership between the Brothers of Charity, UCB and Ghent University.



# 3. Materiality, stakeholder dialogue and responsible entrepreneurship

Sustainability is a corporate responsibility and an integral part of our patient value strategy. In 2016, the five material aspects of UCB's corporate responsibility and sustainability, determined earlier in 2015, were reviewed and refined following regular and in-depth discussions with various stakeholders worldwide. 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.16



Accelerating environmental stewardship and sustainability across UCB's world-wide operations

P.22



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.26



Encouraging employee engagement in innovative and creative patient and planet initiatives

P.32

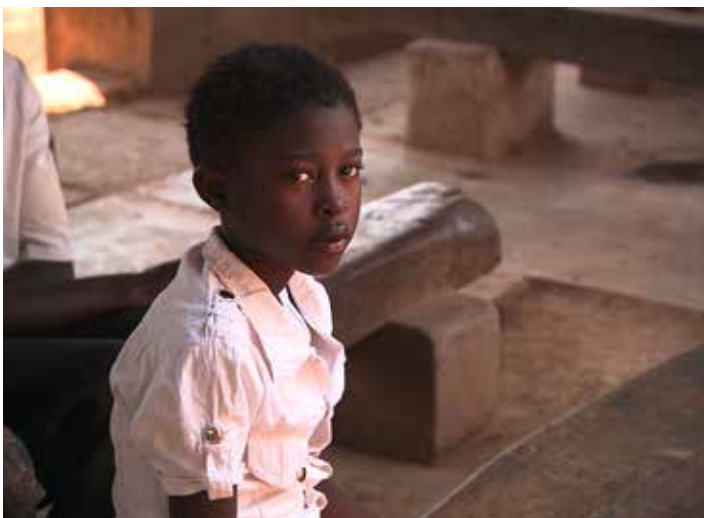


## CREATING STAKEHOLDER DIALOGUE



It is UCB's vision to place the patient at the center of its activities of 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 2016, UCB continued having meetings with various stakeholders that are important to both our business and to society. 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 in the various UCB operations on a monthly basis.



**Keren**, living with epilepsy pre-treatment (10 years old) and post-treatment (14 years old), DR Congo

## LINKING SDG'S TO AREAS OF ENGAGEMENT

In addition, UCB's senior management adopted a comprehensive review of areas of engagement contributing to economic, environmental and societal sustainability. As an organization, we subscribe to various initiatives as outlined in the Sustainable Development Goals, 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. As a result, 26 areas of engagement have been identified by UCB, in collaboration with various external stakeholders, that are considered important to the company. Nineteen of the 26 areas of engagement, described within the five Material Aspects, are also linked to the seven SDG's (see below). Seven areas

that are not directly linked to the SDG's are as follows: Animal welfare<sup>1</sup>; Employee engagement<sup>5</sup>; Patient safety<sup>1</sup>; Procurement optimization<sup>1</sup>; Product life-cycle management<sup>1</sup>; Product stewardship<sup>1</sup>; and Sustainability governance<sup>1</sup>.

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.



### GOOD HEALTH AND WELL-BEING (SDG 3)

- | Access to medicine<sup>1</sup>
- | Capacity building in resource-poor countries<sup>4</sup>
- | Demographic changes
- | Health & Safety<sup>2</sup>



### QUALITY EDUCATION (SDG 4)

- | Employee diversity & inclusion<sup>2</sup>
- | Human rights<sup>1</sup>



### GENDER EQUALITY (SDG 5)

- | Capacity building in resource-poor countries<sup>4</sup>
- | Employee diversity & inclusion<sup>2</sup>



### DECENT WORK AND ECONOMIC GROWTH (SDG 8)

- | Anti-bribery and anti-corruption<sup>1</sup>
- | Business ethics<sup>1</sup>
- | Employees<sup>2</sup>
- | Health & Safety<sup>2</sup>
- | Product and process innovation<sup>1</sup>



### INDUSTRY, INNOVATION AND INFRASTRUCTURE (SDG 9)

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



### CLIMATE ACTION (SDG 13)

- | 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>



### PARTNERSHIPS FOR THE GOALS (SDG 17)

- | Intellectual Property<sup>1</sup>
- | Multi stakeholder dialogue partnership<sup>1</sup>

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



Lucel, living with epilepsy, DR Congo



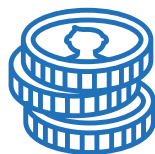
Rainbow Bridge family week-end, China

## UCB SOCIETAL RESPONSIBILITY FUND

UCB Societal Responsibility Fund, together with the King Baudouin Foundation, launched a 'call for action' to provide funding of € 900 000 for two new epilepsy-focused projects in Africa for a duration of 3 years each. A total of 18 applications were received, which were evaluated based on a variety of criteria, including their estimated impact on patients and society. Four projects were put to employee vote, with a response rate of over 950 employees globally (or ~13% of the total workforce). The two winning initiatives were:

- al** Duke University (U.S.), for building of an Epilepsy Center of Excellence in Uganda, covering education and epilepsy diagnosis, treatment, and surgical care.
- bl** Handicap International (Belgium), for building capacity in two regional hospitals in Madagascar and to improve the understanding of epilepsy and access to care for persons, especially children, often stigmatized and discriminated. This initiative will also work on incorporating epilepsy into the national integrated primary health program.

The active engagement of UCB employees illustrates their dedication and willingness to create access to care for patients living in resource-poor countries.



# € 900 000

A 'CALL FOR ACTION' WAS LAUNCHED TO PROVIDE FUNDING FOR TWO NEW EPILEPSY-FOCUSED PROJECTS IN AFRICA



**DukeMedicine**  
Global Neurosurgery and Neuroscience

THE TWO WINNING INITIATIVES  
FROM THE UCB SOCIETAL  
RESPONSIBILITY FUND

## 4. Responsible and ethical business conduct (Material Aspect 1)



Conducting business ethically and responsibly, as well as reducing the environmental impact, is equally critical for our stakeholders. Several stakeholders, especially health care providers, patients, patient organizations and academics, encouraged us to further strengthen the CSR patient initiatives in Africa and Asia. Those initiatives offer access to education for health care providers, and care to persons living with epilepsy and their families in resource-limited countries.

### UCB: a culture of integrity

UCB also continues to be strongly committed to a culture of integrity, transparency and ethical leadership. UCB's values 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 an annual basis. In 2016, the information system changed and a total of 6 594 UCB colleagues were registered in the new system. A total of 89% of colleagues completed the training. New employees have two months to complete their training and account for part of the remaining 11%.

The Drug Safety Reporting module needs to be taken every two years and of the 3 221 UCB colleagues eligible 85% completed the training. The anti-bribery and anti-corruption training module needs to be completed by a selected number of people and 69% completed the training.





Li XuYian, village doctor, China

## HUMAN RIGHTS, ANTI-BRIBERY AND ANTI-CORRUPTION

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 incorporated the United Nations Global Compact (UNGC) ten principles on human rights, labor and environment into the 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 (see Code of Conduct on UCB's external website, under the subsection 'Governance').

### An ethical workplace

Wherever UCB has the ability to make an impact, we take steps to promote and encourage high ethical standards of working and fair treatment of human beings. For instance, UCB has a process for the selection and engagement of suppliers, contractors and agents which aims to ensure adherence to human rights, anti-corruption, anti-bribery and no child labor policies. No significant risks in these areas have been identified in the past year.

### Slavery and human trafficking

In addition, in accordance with the U.K.'s Modern Slavery Act 2015, UCB will incorporate a slavery and human trafficking statement on all relevant UCB websites prior to June 2017 and annually thereafter, to ensure that slavery and human trafficking is not occurring in our business and in the business of relevant partners.

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. In 2016, certain activities and operations were assessed for compliance-related risks and no incidents of corruption or bribery were identified.

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 wants to comply with transparency regulations and codes where available.

## 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 made contributions to political candidates in the U.S. Although UCB is not reporting

significant issues or formal policy positions in 2016, UCB is actively connected with public policy makers, regulators and other stakeholders. In addition, no complaints on data privacy or breach thereof were received.

In 2016, three complaints were received for a deviation to industry voluntary codes regarding good promotional practices in the U.K., Sweden and Denmark. UCB identified appropriate preventative actions.

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 2016, 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., Biotechnology Industry 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, UCB's CEO, is a member of the board of EFPIA, and Chairman of the 'Innovation' EFPIA Board Sponsored Committee. He is also member of the Board of 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.

No funding beyond the routine annual memberships is provided.

UCB is also member of various chambers of commerce, associations and initiatives for sustainable development.

UCB is part of the Pharmaceutical Industry Initiative to Combat Crime (PIICC), an Interpol and pharmaceutical sector partnership with the focus on the prevention of all types of pharmaceutical crime including counterfeiting of both branded and generic drugs. UCB is also part of the Transported Asset Protection Association (TAPA), Rx-360 (an international pharmaceutical Supply Chain Consortium) and EFPIA Security Forum, which works together with other stakeholders, to allow for

benchmarking, jointly identify and discuss solutions, and ensure product integrity and transparency across the supply chain.

In order to foster and to accelerate clinical study value-creation for persons living with severe chronic diseases, UCB partners with the TransCelerate Biopharma Inc. platform. This platform facilitates the interfaces on



Axel, living with epilepsy, DR Congo

study-related matters with industry organizations, e.g., Association of Clinical Research Organization (ACRO), Coalition for Accelerating Standards and Therapies (CFAST), Clinical Trials Transformation Initiative (CTTI) and SCRS Society for Clinical Research Sites (SCRS), and global regulatory authorities. Representatives

from clinical research organizations, patient programs, academia, pharmaceutical companies, and authorities outline adaptive research models offering patient-driven solutions with streamlined study design of innovative drugs.

## 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 research programs involving animals, both to determine whether the studies are necessary and whether the study objectives can be accomplished without using animals.

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 2010/63/63. The Home Office's Animals in Science Regulation Unit completes annual inspections of this site. UCB also adheres to the standards of the U.K. National Centre for Replacement, Refinement & Reduction of Animals in Research ("NC3Rs") (<http://www.nc3rs.org.uk>), which are based on the principles of 'replacing' when work without animals is possible; 'reducing' when animal experimentation cannot be

avoided, to use the least number of animals possible; and 'refining' the use of animals with utmost respect for the animals. UCB is involved in several working groups of the NC3Rs, for example, the mammalian models of epilepsy.

UCB has also subscribed to the U.K. Concordat on Openness on Animal Research with an objective to be transparent on the use of animals in research.

### 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 2016

Following the completion of several early-phase research projects, the number of animals used in research studies by UCB decreased by 32%.

A total of 98% of all animals used by UCB researchers and contractors are rodents, with non-human primates, dogs, llamas, mini-pigs 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 persons 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 as 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.

Colleagues of the purchasing department operate in 19 countries overlooking 20 295 different suppliers, predominantly in eight countries, *i.e.*, Belgium, France, Germany, Japan, Spain, Switzerland, U.K. and U.S.

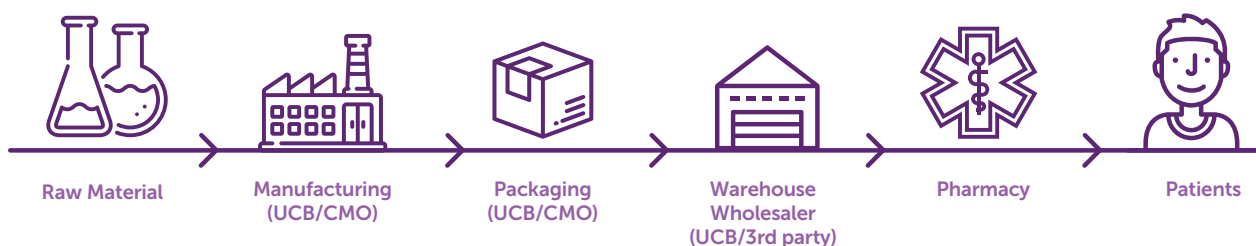
The Supply Chain Security Council overlooks the responsible supply chain management and holds

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, environmental health and safety, dangerous goods compliance and global trade management.

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.

### THE SUPPLY CHAIN AT A GLANCE



## RECOGNITION AND REWARDS

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

UCB's efforts were recognized in 2016 by the London Stock Exchange's FTSE4Good Index, ECPI and Corporate Knights.





# 1 004

GLOBAL COMMUNICATIONS  
WERE REVIEWED IN 2016



# 3 862

QUESTIONS RECEIVED ON  
AVERAGE PER MONTH BY UCB  
ON PRODUCTS IN 2016

## PRODUCT RESPONSIBILITY

### Promotion and Sales

In 2016, no substantiated customer data privacy complaints were identified and no breaches or loss of customer data have been reported or identified following internal audits.

UCB complies with all applicable laws, regulations and industry codes, e.g., Directive of the European Parliament and of the Council on the Community Code relating to medicinal products for human use, 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.

### 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 2016, a total of 1 004 global communications were reviewed. UCB has internal processes for deciding how to respond to each and every request.

In 2016, UCB received an average of 3 862 questions per month on our products (26% Cimzia®, 15% Vimpat®, 13% Neupro® and 46% other products).

### Customer Satisfaction

In 2016, UCB implemented different satisfaction programs for patients and healthcare professionals. These programs are executed by an external party on an annual basis.

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 2016, 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. We assure continuous improvement of our processes and procedures, in accordance with quality standards. This is illustrated by the positive evaluations by competent Authorities and the absence of critical or major observations during inspections.

UCB has not engaged in sales of banned products in any of the markets in which it operates.

## 5. Building an agile organization (Material Aspect 2)



At the core of UCB's mission is the improvement of the life of persons living with severe chronic diseases, including enhanced access to existing treatments, a tailored design and clinical development of new molecules and solutions for patients.

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

### ORGANIZATIONAL CAPABILITIES



Patty, UCB

In 2016, UCB 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. As a consequence, UCB organized the workforce 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.

## 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 as to successfully implement UCB's engagements and 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, several staff from various countries have also taken assignments in different parts of the world.

### Talent and leadership development

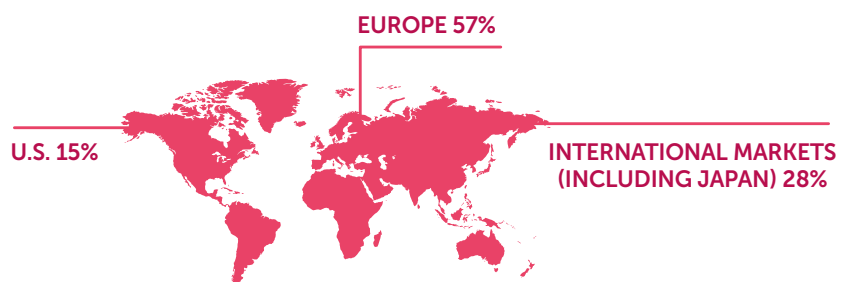
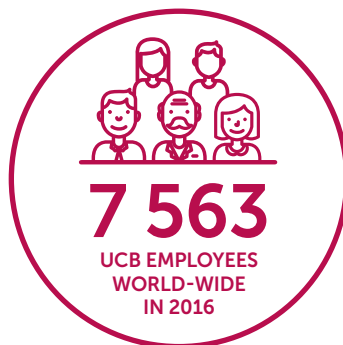
In 2016, UCB continued the leadership development programs in order to help prepare UCB's new and existing leaders for successful performance in future roles. The programs bring together leaders across the entire organization in a learning context where they are faced with business and leadership concepts, 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. This year CSR activities were integrated in several leadership programs, as it was important to create a platform for sustainable and entrepreneurial leadership behaviors.

The 'Accelerate' program provides insights on a transition from an individual contributor to manager of others; 141 colleagues started this course in 2016, yielding a total of 695 colleagues participating in the past four years.

The 'Navigate' program expands on a transition from manager of others to manager of managers; 63 colleagues were enrolled in the course, yielding a total of 215 colleagues enrolled in the past four years.

Twenty-four UCB staff participating in 'Navigate' embraced various questions important to persons living with epilepsy in resource-poor countries and worked in integrated cross-functional and cross-cultural teams to identify realistic, creative and innovative solutions. They applied the blueprint: *'from patients to science, from science to solution; from solution to patients;'* in their thinking.



The 'Orchestrate' program was redesigned and engaged 19 colleagues in a leadership course for managers of managers transitioning to managing a business, for a total of 53 participants included in the past years. Participants were exposed to innovative entrepreneurship activities in San Francisco, to CSR responsible entrepreneurship patient-activities in remote parts of China, Rwanda and Mozambique, and to managerial insights in Brussels and London. Groups focused predominantly on:

- Exploring the needs of persons living with epilepsy, including visits to village doctors (China).
- Deepening their understanding of the epilepsy training program for pediatricians and attending training courses for school teachers and families with children living with epilepsy (China).
- Interpreting care in the tertiary reference center of Ndera, nearby Kigali, and linking with persons living with epilepsy in remote villages (Rwanda).
- Understanding the importance of the epilepsy education at community and school level, including the significance of the engagement of district psychiatric nurses in the epilepsy awareness programs together with the mental health staff of the Ministry of Health (Mozambique).

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 work culture are vital. In 2016, employee engagement continued to build on what brings people together – UCB's dedication to patients – while leveraging the broad diversity of UCB people across the world.

The work culture demands active sharing and collection of insights from patients and other stakeholders. An inspired sharing in order to connect, collaborate, co-create and co-own a different future of a sustainable well-being in society is of paramount importance.

Also in 2016, UCB continued its Diversity & Inclusion initiatives in several countries. UCB's ability to understand the way of working across nations, cultures and education, and our commitment to live values without boundaries, builds the company that unites us. UCB's determination to accelerate diversity and inclusion and to provide equal employment opportunities is integrated in the cultural agenda and is considered a strength of the company. While acquiring a deep understanding of cultural conditions is important, colleagues are invited to reflect and to integrate cultural differences and diversity in their daily activities as cultural diversity is an enormous source of motivation and inspiration. Adapting the behavior to a culture openness will foster an inclusive climate and learning.

UCB progressed the women-men representation at executive level from 16%-84% in 2008 to 30%-70% in 2016. In countries with staff above 150 people, *i.e.*, Belgium, Brazil, China, Germany, Japan, Mexico, Switzerland, U.K. and U.S., 85% of the leadership teams are from within the country and the split between women and men is 37% and 63% respectively. This is similar to the data from 2015.

At the end of 2016, the women-men representation at the Board of Directors was 31%-69% and at the Executive Committee was 27%-73%.

### Talent and inclusion

In 2016, UCB colleagues created the 'Youngsters' community ('Millennials', < 35 years old). Over 200 young and talented colleagues across the organization are part of this engaged group. In Belgium, 'Youngsters'

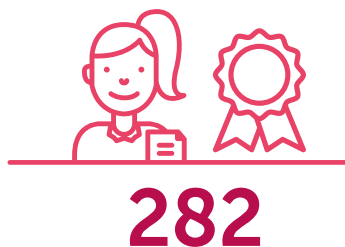


Fabrice Enderlin meeting Youngsters, UCB

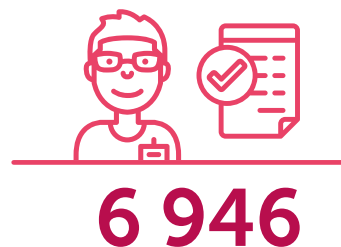


Youngsters, UCB





TOP TALENTS IDENTIFIED BY UCB  
AMONGST EMPLOYEES REVIEWED



EMPLOYEES WERE REVIEWED IN 2016

strive to create a dynamic and innovative environment where trust, collaboration, and collective intelligence bring value for patients, UCB, and their community. The 'Youngsters' initiated four open discussions with members of the Executive Committee as well as three cross-functional business cases on various topics.

Currently they are working on a project with the 'Baby Boomers' (> 50 years old) to encourage trans-generational integration, learning and reverse mentoring.

### Talent and review

Talent reviews are designed to identify key talents based on organizational needs. UCB assesses talents based on their sustained performance and their growth potential. A key outcome is the design and implementation of tailored development plans. The process also assists in the identification and preparation of successors for business critical positions.

In 2016, UCB reviewed 6 946 employees and identified 2 116 as future talents (282 of which were identified as top talents).

UCB is also driven by a high performance culture with an annual cycle of collective objective setting and year-end final appraisals with on-going measurable performance feedback throughout the year. In 2016, colleagues were invited to participate in 11 collective objectives, set by UCB's leadership forum, to concentrate on value-driven actions and outcomes.

By end-January 2017, 92% of employees of UCB participated and completed the 2016 review cycle. Employees are rewarded and acknowledged for their individual contributions to the company's success.

### 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 continuous improvement for our people.

UCB continues to adopt a blended approach to training. While much of the training consists of interactive online training, UCB prefers instructor-led training, on-the-job-coaching and mentoring.

In 2016, UCB invested € 15.9 million in training and development of our colleagues. The average number of training hours per participating employee was 18 hours, representing a total of 137 014 hours, of which, 21 644 hours were spent on Patient Value trainings. A total of 2 920 hours were spent on the Code of Conduct training that includes human rights policies relevant to UCB. The training hours for women and men are 45% and 55% respectively.

### 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 health and well-being program, based on five key drivers: 'information', 'prevention', 'physical well-being', 'mental well-being' and 'having fun at work', continued in numerous UCB sites.

## HEALTH AND SAFETY

The Lost Time Incident Rate (LTIR) for 2016 was calculated at 2.04 incidents with more than one day of absence per million hours worked.

The Lost Time Severity Rate (LTSR) was calculated at 0.04 days lost per 1 000 hours worked.

In 2016, 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.

During 2016, UCB continued managing risk areas identified during regular health and safety reviews, also performed at key contract manufacturing organizations. A first three-year roadmap for strengthening the occupational hygiene program yielded the necessary positive results.

In 2015 UCB launched a three-year program to create intrinsically safe installations and to improve employee training and this was continued in 2016.

In 2016, UCB also continued the *'Take a Second. Safety First'* behavioral safety campaign aimed at raising awareness about key causes of accidents.

Even though the installations and high-technology equipment are by design increasingly safe, health and safety management systems and procedures are applied. UCB's health and safety strategy promotes *'safe behavior'* as a third pillar. At Bulle and Slough sites, the systems are OHSAS18001 certified. A visible and highly appreciated initiative was *'Safety Week'*, organized by Technical Operations at the Braine-l'Alleud site. More than 700 colleagues attended a variety of workshops aimed at reflecting on safe working conditions, practices and behaviors.



Joëlle, UCB

## INVOLVEMENT WITH LOCAL COMMUNITIES AND CHARITY

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

In 2016, UCB spent more than € 4.25 million in community sponsorships and charitable donations worldwide, including € 1.6 million for the CSR patient

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



**€ 4.25 MILLION**

COMMUNITY SPONSORSHIPS

## UCB VOICES

At UCB employee engagement is continuously measured.

'UCB Voices', a unique global employee engagement survey, was organized for the 6th time in 2016 by Willis Towers Watson.

The results were remarkable, with a 87% participation rate, indicating that our colleagues worldwide recognize the importance and added value in participating in this survey, which allows them to give their feedback on the company's strategy and culture.

The feedback collected through the survey was provided to attendees of UCB's leadership forum, generating further interactions and dialogue with all colleagues at every level of the organization.

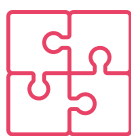
The icons below compare the percentage of favorable responses at UCB versus the Willis Towers Watson High Performance Norm (WTWn), an external benchmark comprising 27 'best-performing' corporations.



# 87%

I THINK UCB IS A SOCIALLY RESPONSIBLE COMPANY

(88% WTWn)



# 81%

UCB FOSTERS WORKFORCE DIVERSITY AND INCLUSION

(84% WTWn)



# 89%

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

(90% WTWn)



# 92%

I UNDERSTAND HOW MY WORK IMPACTS PATIENT VALUE

(93% WTWn)

## 6. Environmental stewardship and sustainability (Material Aspect 3)



UCB is determined to meet the ambitions set forth in the *"Paris Agreement"* reached at the 21<sup>st</sup> session of the Conference of the Parties (COP21), as demonstrated through the signing of the *'Message from Belgian stakeholders in support of the COP21'*.

Investigations are underway to further identify and evaluate the environmental impact of our own industrial activities, as well as in those of our partners and suppliers. It is part of UCB's strategy to significantly reduce Green House Gases emissions and to limit our direct and indirect impact on global warming.

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

Specific targets to reduce water consumption and waste generation have also been approved.

### PRECAUTIONARY APPROACH TO ENVIRONMENTAL SUSTAINABILITY

In order to reduce the ecological impact, UCB actively works in the following seven areas:

- 1 | Ensuring legal and regulatory compliance;
- 2 | Using natural resources responsibly;
- 3 | Enhancing energy efficiency while minimizing carbon footprint;
- 4 | Promoting green chemistry;
- 5 | Controlling and reducing air emissions;
- 6 | Actively managing waste streams; and
- 7 | Applying greener lifecycle management principles.

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

A STRINGENT AND  
COMPREHENSIVE ACTION PLAN  
TO BECOME CARBON NEUTRAL BY  
2030 INCLUDING REDUCTION AND  
COMPENSATION MECHANISMS  
HAS BEEN ENDORSED BY THE  
EXECUTIVE COMMITTEE.



## SUSTAINABILITY AND STEWARDSHIP

In the recent past, UCB incorporated different strategies for energy efficiency, water conservation and waste control as it benefits the company both environmentally and economically, creating a positive result for local communities. The commitment is illustrated through transparent reporting.

UCB is determined to integrate initiatives to promote greater environmental responsibility and stewardship,

to promote more resource-efficient processes and to incorporate the development of new and clean technologies with an improved environmental performance. In accordance with COP21, a multi-disciplinary team further reviewed climate-sensitive manufacturing and behavioral outcomes, potential impacts and strategies to reduce or mitigate risks, while considering business continuity and transparency.

## BACKGROUND TO THE 2016 REPORTING

In 2016, the scope of the environmental performance reporting changed significantly. Key changes include the divestiture of the Kremers Urban operation in Seymour (U.S.) in November 2015 and of the site in Shannon (Ireland) in May 2016. UCB's ecological footprint was on the other hand also impacted by increasing production volumes in other manufacturing sites.

UCB 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. Over 20 contract manufacturing organizations (CMOs) reported on key environmental indicators.

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.



Patrick, UCB



Jean-Marie, Luc, Patrick and Stéphanie, UCB

## ENERGY

This year, the overall energy consumption decreased by 25%; usage of gas and electricity was reduced by 26% and 24% respectively, and usage of fuel increased by 5%.

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.

Energy saving initiatives implemented in 2016 led to a recurrent energy saving of 7 492 GigaJoules, which is 0.9 % of UCB's scope-1 and scope-2 energy usages. Energy saving projects were completed at the sites in Bulle (Switzerland), Braine-l'Alleud (Belgium) and Zhuhai (China). Key contributors were the installation of a heat recovery unit on steam condensation and the optimization of HVAC installations in Braine-l'Alleud and the completion of a project allowing to recover heat on process air compressors in Bulle.

In 2016, 80% of the electricity consumed by UCB originated from renewable sources with four UCB sites relying fully on green electricity, *i.e.*, Bulle (Switzerland), Monheim (Germany), Braine-l'Alleud and Brussels (Belgium).

UCB generated 1 537 GigaJoules of electricity through solar panels installed in Braine-l'Alleud and Bulle.

Overall scope-1 and scope-2 CO<sub>2</sub>-emissions were reduced by 40%; scope-1 emissions decreased by 24% while scope-2 emissions were reduced by 60%. These reductions are mainly due to the divestiture of the sites in Seymour and Shannon. The impact therefore upon the scope-2 emissions was even strengthened by the fact that the sites in Seymour and Shannon still relied on electricity mainly generated from non-renewable sources.

Business travel, associated with scope-3 CO<sub>2</sub>-emissions resulted in 54 651 tons, an increase of 17% when compared to 2015.



# 7 492 GJ

OF CURRENT ENERGY SAVINGS  
THROUGH ENERGY EFFICIENCY  
PROJECTS



# 80%

OF THE ELECTRICITY CONSUMED  
BY UCB ORIGINATED FROM  
RENEWABLE SOURCES



# 1 537 GJ

ELECTRICITY GENERATED  
BY UCB THROUGH SOLAR  
PANELS



# +17%

CO<sub>2</sub>-EMISSIONS DUE  
TO BUSINESS TRAVEL



# 97%

WASTE RECOVERED



Luc, UCB

## WATER

Water consumption at the UCB facilities decreased by 12% (or 100 050 m<sup>3</sup>). Again, the reduction is 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>. Factors which influenced water consumption at these sites are increased production and research activities, variations

in climatological conditions (with an impact on the need for cooling) and water saving programs implemented at the sites.

UCB's transformation to a leading biotechnology company may further impact water consumption as these production processes tend to be more water demanding.

## WASTE

Waste generated at different UCB facilities decreased by 11%.

UCB globally managed to recover 97% 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 11%, 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.

## 7. 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 four years, UCB's Corporate Societal Responsibility (CSR) team, together with partners of the six ongoing initiatives in Africa and Asia, fine-tuned strategies by interconnecting information between various initiatives resulting in an acceleration of value creation for underprivileged persons 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 persons 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.



Field visit of CEO, DR Congo



## THREE NEW PARTNERSHIPS

### Uganda – Duke University

The Division of Global Neurosurgery and Neurology (DGNN) of the Department of Neurosurgery of Duke University (Durham, U.S.) will create a Epilepsy Center of Excellence in Uganda.

A multi-disciplinary team will focus on epilepsy treatment for diagnosis and localization of epileptic foci, new equipment for hospitals and outreach diagnosis, training of epilepsy neurologists and technicians in EEG protocols, infrastructure for EEG rooms, and epilepsy training of health care providers including the surgical treatment of epilepsy at the Mulago and Mbarara hospitals. The initiative will start in 2017.

### Madagascar – Handicap International

Handicap International (Brussels, Belgium) will build awareness programs in the ten villages in the Boeny and Analanjiroro districts. Through these programs communities will better understand epilepsy and the causes of this chronic disease and

be able to embrace persons living with epilepsy often excluded and stigmatized. The program also will build education platforms for schoolteachers and engage young children in understanding their friends living with epilepsy, thereby improving their inclusion. The initiative will start in 2017.

### Rwanda – One Family Health

A three-year partnership was initiated with 'OneFamilyHealth', a non-governmental organization (NGO), dedicated to improving access to essential medicines and basic health care services in isolated communities in Rwanda. Through an innovative inclusive business model, nurse franchisees are equipped with the knowledge based tools needed to identify and refer individuals with suspected epilepsy and other psychotropic and auto-immune conditions to the relevant district hospitals for evaluation and treatment. UCB fosters cross-fertilization between the two partnerships in Rwanda to deliver joint high-quality epilepsy care.

## BROTHERS OF CHARITY – DR CONGO

During the visit of Jean-Christophe Tellier to the 'Neuropsychiatric Center Joseph Guislain', the importance of the epilepsy disease burden for people living in Lubumbashi were brought to life.

The prime objective of our partnership with the Brothers of Charity is to alleviate the health burden and ensure the affordability of care for persons living with epilepsy, and their families, in the capital and remote areas of the province. The second objective is to strengthen the neurology capacity by having Dr. Marcellin Bugeme

continue his four-year master course in neurology at the Cheik anta Diop University in Dakar (Senegal).

In 2016, the medical staff of the center reached over 3 000 persons in the mobile clinics and completed 5 076 consultations in the tertiary center in Lubumbashi. In addition, the center completed 767 electroencephalograms with two new EEG equipment. This equipment was purchased with the assistance of the funding raised by UCB employees.



# 5 076

CONSULTATIONS COMPLETED  
IN THE TERTIARY CENTER IN  
LUBUMBASHI



'How can I tell what it means to me being able to witness how our partnership with the Brothers of Charity cares for persons living with epilepsy in very trying and unexpected circumstances and how it brings a vital human essence to the patients: dignity and hope'

**Jean-Christophe Tellier, UCB**



# 767

ELECTROENCEPHALOGRAMS  
COMPLETED WITH THE  
NEW EQUIPMENT





Landscape, Rwanda

**Francoise**, psychiatric nurse at the Ruhengeri district hospital, Rwanda

## BROTHERS OF CHARITY – RWANDA

In 2016, the tertiary neuropsychiatric hospital of Ndera, nearby Kigali, offered 22 021 consultations to persons living with neurological conditions, often travelling long distances to seek specialized care.

The Rwandan Organization Against Epilepsy pursued the training program of grass-root community health agents in the villages. A total of 3 444 agents participated in the one-day epilepsy training. In addition, 229 health care professionals from the Musanze and Gakenke health districts received a four-day training in epilepsy disease management.

Strengthening the neurology capacity is accomplished by a two-pronged approach. First, Dr. Fidèle Sebera continued with the implementation of the epilepsy and depression as co-morbidity research work. Second, Dr. Beni Uwacu entered his fourth and last year of the master in neurology specialization at the Cheik anta Diop University in Dakar (Senegal). His research project

involves the review of newly diagnosed persons living with epilepsy in the tertiary neuropsychiatric hospital of Ndera.

With the objective of enhancing access to EEG investigations during field visits, the UCB Societal Responsibility Fund at the King Baudouin Foundation provided a mobile EEG equipment.

During 2016, the 'Orchestrate Responsible Entrepreneurship' leadership program engaged the visit of UCB senior leaders to Rwanda to understand the intersection between the needs of medically challenged communities, underprivileged persons living with epilepsy and their families, the sustainability of UCB's CSR engagement and an ethical and responsible business conduct. In addition, the PhD research IT platform was supported by a further field visit of UCB colleagues.



# 22 021

CONSULTATIONS OFFERED BY THE  
TERTIARY NEUROPSYCHIATRIC  
HOSPITAL OF NDERA, NEARBY KIGALI



'Going to Africa is like a shower of realities'.

**Philippe, UCB**

## WORLD HEALTH ORGANIZATION – MOZAMBIQUE

Epilepsy is a major health problem with over 75% of persons in low- and middle-income countries without access to treatment. They are often stigmatized and denied their human rights.

Despite limited in-country specialized resources, great progress has been made to integrate epilepsy into the primary health care system under the leadership of the World Health Organization. During the past three years, a dedicated Mental Health team and a strong network of coordinators of 16 participating health districts were instrumental in building an epilepsy network of capable health staff, accelerating and securing long-term procurement of anti-epileptic drugs and creating public awareness through school programs, community health workers and leaders.

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.

In 2016, 2 192 epilepsy education awareness sessions were organized in the communities of the 16 health districts and over 136 000 people attended. In addition, the implementation team further strengthened the training of health care professionals and community health workers in order to conduct 22 651 consultations of persons living with epilepsy, a 57% increase over 2015.



# 2 192

**EPILEPSY EDUCATION AWARENESS  
SESSIONS ORGANIZED IN THE  
COMMUNITIES**



‘The strength of our initiative is a truly motivated team and a network of committed collaborators including the traditional healers. Together we can defeat epilepsy’.

**Palmira, Ministry of Health  
(Mozambique)**



# 22 651

**CONSULTATIONS OF PERSONS  
LIVING WITH EPILEPSY, A 57%  
INCREASE OVER 2015**



Community awareness, Mozambique



## WORLD HEALTH ORGANIZATION – MYANMAR

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

In Myanmar, under the leadership of the World Health Organization, different stakeholders were consulted. These included: the Ministry of Health, the neurology and mental health staff in academia and leading hospitals, the medical directors of the townships, and the villagers.

To date, a total of 1 772 health care providers and 44 train-the-trainers participated in different training courses in ten townships. In addition, 103 962 villagers attended 6 369 epilepsy education sessions.

As a result of the broad acceptance of the Epilepsy Initiative, the reduction of treatment access gap in the townships was reduced by 43.8% on average for the 10 townships, varying from 23.7% in the Lewe township to 78.8% for the Hlegu township, depending on the timing of the initiation of the epilepsy program.

## PROJECT HOPE – CHINA

The four-year 'Rainbow Bridge' program of the project HOPE partnership with UCB targets pediatric epilepsy care through multiple and integrated interventions, anchored on four target groups. To date, 1 675 health care providers received classroom childhood epilepsy training courses, with over 184 000 children living with epilepsy benefitting from these trainings. Also, 17 022 physicians completed the online neurology course. To date, 1 238 parents attended workshops to discuss their challenges, their emotional and family burden of epilepsy.

Additionally, the 'Rainbow Bridge' family week-end workshops brought together 173 children living with epilepsy and 566 family members. Children enjoy a peaceful week-end, while parents have dedicated time with health care providers. Epilepsy knowledge sharing with school teachers is key as they are accountable for the well-being of children living with epilepsy (and their parents) in the school environment. Workshops brought together 830 teachers as a fourth and last anchor point.



'Through our Rainbow Bridge partnership, we provide "hope" to the hopeless: the many patients and their families living with the burden and associated shame of this heavily stigmatized disease.'

**Alexandra, UCB**



# 17 022

**PHYSICIANS COMPLETED ONLINE  
NEUROLOGY TRAINING COURSE**



**Peter, UCB**



**Alexandra and Amber, UCB**



Village doctors from different provinces, China

## BDC OF RED CROSS SOCIETY OF CHINA – CHINA

Providing a knowledge platform to village doctors, the grass-root health care providers in China, is an essential part of the '*Health and Hope Fund*' partnership between the Business Development Center (BDC) of the Red Cross Society of China and UCB, established in 2013. With training localized in provincial capitals of resource-limited provinces and with the involvement of provincial government, health authorities and academic institutions, a total of 775 village doctors have been trained.

The health burden of the aging population is important world-wide, and the situation in China is no exception.

However, China has the largest elderly population and also one of the most rapidly aging societies in the world, which poses important challenges to sustainable health, economic and social development. With the objective of reducing the training gap, 671 nursing staff of elderly care homes of over 300 counties attended a 12-day training program in Chengde, and 624 nursing home principals attended a 5-day training program in Beijing.

Considering these efforts, the '*Health and Hope Fund*' will support the ongoing government's initiative to build a primary health system aimed to provide quality care at community level and in elderly homes.



# 775

VILLAGE DOCTORS  
HAVE BEEN TRAINED



'CSR @ UCB is different. With UCB we get engagement and the sharing of the expertise available in the company'.

**Sean,**  
**Renmin University (China)**



## 8. 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 persons living with severe chronic diseases world-wide, 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 persons 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. Interpreting clinical data to better understand the needs of patients is illustrated by the UCB '*Epilepsy Advocate, strength in numbers*', community, created in 2006, addressing unmet patient needs, offering access to the latest information and encouraging collaborations, among others.

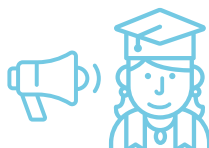
THE UCB 'EPILEPSY ADVOCATE, STRENGTH IN NUMBERS' COMMUNITY, CREATED IN 2006, ADDRESSES UNMET PATIENT NEEDS, OFFERS ACCESS TO THE LATEST INFORMATION AND, ENCOURAGES COLLABORATIONS, AMONG OTHERS.





# 6 000

EPILEPSY INFORMATION  
BROCHURES WERE DISTRIBUTED  
TO THE PUBLIC IN TURKEY



THE SCHOOL CAMPAIGN 'LIVING  
WITH EPILEPSY' IN SPAIN WAS  
HONORED WITH THE FIRST PRIZE  
OF THE EFPIA PATIENT THINK TANK



# > 1 000

PATIENTS AND CAREGIVERS IN  
CHINA WERE FOLLOWERS OF THE  
'CARNATION' PLATFORM WITHIN  
THE FIRST WEEK OF ITS LAUNCH

Some of the other initiatives were:

### Rheumatology insight – Germany

An atypical, dynamic and innovative platform for rheumatologists attending the German Day of Rheumatology. Attendees learned from a non-medical expert who explained how a person living with rheumatoid arthritis should be treated.

The positive feedback from doctors confirms the value of our work and shows that the path towards a successful long-term partnership with rheumatologists is already well underway.

### A rheumatology breakfast with true experts – Australia

At the Australian Rheumatology Association Annual Scientific Meeting UCB organized a breakfast symposium 'The Patient will see you now!'. A panel of persons living with rheumatoid arthritis presented insights on their disease, their life journey as a patient, and focused on patient empowerment by providing rheumatologists with tools to better dialogue with their patients.

### International Epilepsy Day – Turkey

'Life with Epilepsy' seminars, organized with the Turkish chapters of the International League Against Epilepsy and the International Bureau of Epilepsy, united 80 persons living with epilepsy, caregivers and other members of the epilepsy community and the public.

UCB colleagues reached out to the public by distributing over 6 000 epilepsy information brochures, in addition

to letters, and over 900 posters to company physicians working at large organizations. At one of Istanbul's biggest shopping malls, colleagues distributed over 1 000 brochures on epilepsy.

In addition, a UCB colleague from the Eastern part of Turkey organized an epilepsy seminar attended by 500 caregivers, family members and school teachers. During the symposium, health care professionals and school teachers were informed on the definition of epilepsy, treatment approaches, types of seizures and first aid in epilepsy. The teachers showed great interest and had an opportunity to direct questions to the experts. The meeting revealed that participants considered only generalized seizures to be a symptom of epilepsy. This demonstrated that the general public requires additional information on epilepsy, highlighting the added value of the seminar.

### 'WeDoctor' and 'Carnation' platform – China

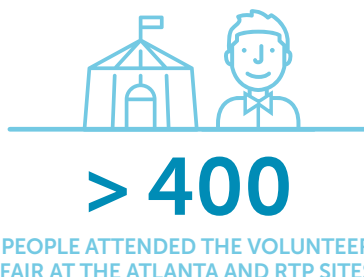
The China Association of Health Promotion and Education, in association with UCB, launched a digital disease education platform, called 'Carnation', on WeChat, one of the most popular social media platforms in China. Through 'Carnation', patients learn about the disease, treatment options and nutrition. They can also search for epilepsy specialists, and attend online patient education and online consultations to interact with physicians. Several hospitals across the country established a unified partnership and within the first week of its launch, over 1 000 patients and caregivers were already followers.

### Innovative Medicines Initiative 2 – Europe

The Innovative Medicines Initiative 2 is Europe's largest public-private innovative platform aiming to accelerate development of better and safer medicine for patients. The projects, Precisesads (on the identification of common disease features of rare diseases) and Aetionomy (on the identification of underlying causes of Parkinson's and Alzheimer's diseases) are only two of the 31 projects where UCB is involved.

### Epilepsy in school campaign – Spain

The school campaign 'Living with Epilepsy' that builds awareness on epilepsy in school communities was supported by colleagues in Spain and received support from football players of Atletico Madrid. This initiative was honored with the first prize of the EFPIA Patient Think Tank at the Health Collaboration Summit in Spain after a review of 300 health initiatives of pharmaceutical companies.



## COMMUNITIES

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

### U-Volunteer

UCB Belgium created a platform for colleagues to engage in volunteering activities offered by local NGO's in Belgium. The objective of U-Volunteer is to provide colleagues with experiences that will change their mindset regarding the issues at hand.

This year, seven colleagues joined the Koudougou initiative in Burkina Faso. Koudougou, created by two UCB colleagues, assists widows and orphans in remote villages in Teenbo and Wappasi with farming and the education of children. This year's visit was exceptional as participants experienced first-hand the impact and importance of access to farming equipment, the use of a warehouse, drinkable water, and education for children.

### Volunteer Fair

Over 400 people attended the Volunteer Fair at the Atlanta and RTP sites where numerous volunteer initiatives were presented. Here, colleagues found an opportunity to discuss with local representatives the impact of their participation to the people being served.

### Green Planet Day

Dr. JC van Ypersele de Strihou, a world expert on the integrated assessment of climate change and former Vice-Chair of the Intergovernmental Panel on Climate Change, provided insights to reducing CO<sub>2</sub>-emissions, and over 400 employees attended.

### Dynamic Team

A team of three UCB employees launched the Dynamic Team to rally colleagues around common needs by raising funds or in-kind donations for different causes, such as refugees or persons living in the periphery of our society or in Africa, amongst many others.



Volunteers from UCB, Burkina Faso



Valentine and Eric, UCB



Volunteer Fair, UCB



Walk for Africa, UCB

## 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.

### Walk for Africa

A creative year for the UCB Walk for Africa with a remarkable 22 sites (up from 11 last year) and over 1 100 employees participating. More than € 11 000 was raised for a new mobile EEG in Lubumbashi (DR Congo) for persons living with epilepsy in remote villages, enabling them to now receive proper diagnosis.

### Talent Share Quiz

A creative '*fun-draising*' quiz launched the TalentShare Learning, a new Learning Management System. A total of 629 colleagues participated in this unique double impact awareness activity, first for the new TalentShare Learning tool and second for different CSR activities. The funds raised by the Talent department will support the procurement of an electromyogram equipment.



> € 11 000

RAISED FOR A NEW MOBILE EEG IN  
LUBUMBASHI DURING THE UCB WALK  
FOR AFRICA

# 9. 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, 2016 until December 31, 2016.

The 2015 Annual Report, including the Sustainability Report, was published on February 29, 2016.

### 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, 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 as one entity, as are the Patient Value Practices, which are also 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' and 'death in service'; whereas 'inactive employees' are not included.

### Training

During the implementation of a new information system in 2016 that consolidated the trainings organized by UCB, some of the employee data could not be migrated. In addition, the tracking of time was calibrated on the estimated time to complete a training course rather than the actual time.

The Code of Conduct mandatory training is to be completed annually, whereas the Drug Safety training is to be completed bi-annually by all employees. The Anti-

Bribery and Anti-Corruption training is to be completed bi-annually by a subset of employees.

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, Luxemburg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland and United Kingdom (U.K.)

■ United States (U.S.)

■ Japan

■ International markets: Australia, Brazil, Canada, China, Hong Kong, India, Mexico, Malaysia, Russia, South Korea, Singapore, Taiwan, Thailand, 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 China, India, Italy, Japan, Germany, Mexico and U.S. This scope covers 86% of UCB's workforce and is similar to last year's data.

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 3<sup>rd</sup> parties and there are no separate utility meters installed. As a result, consumption is overestimated for which the impact cannot be reliably measured.

■ In Braine-l'Alleud (Belgium), diesel for utility vehicles is reported within fuel consumption, as it is stored in the same tank; hence it is difficult to estimate precisely.

■ The 2016, 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)

2016 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 97% 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 33 countries (Australia, Austria, Belgium, Bulgaria, Brazil, Canada, China (including Hong Kong), Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, India, Italy, Japan, Malaysia, Mexico, Netherlands, Norway, Poland, Portugal, South-Korea, Singapore, Spain, Sweden, Switzerland, Taiwan, Thailand, 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 financial, societal, health, safety and environment 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 2016.



# 10. Talent, social and environmental data

## TALENT AND SOCIETAL DATA

GRI-G4 INDICATOR	DEFINITION	UNIT OF MEASURE	2015	2016
<b>09</b>	<b>Total workforce</b>	Employees as of 31 December	7 788	7 563
	<b>Workforce by gender</b>	Number women	3 867	3 751
		% women	50	50
		Number men	3 921	3 812
		% men	50	50
	<b>Workforce by gender and age</b>	Number women	3 867	3 751
		• ≤ 29y	390	341
		• 30 - ≤ 39y	1 376	1 269
		• 40 - ≤ 49y	1 367	1 360
		• ≥ 50y	734	781
		Number men	3 921	3 812
		• ≤ 29y	321	262
		• 30 - ≤ 39y	1 187	1 114
		• 40 - ≤ 49y	1 468	1 432
		• ≥ 50y	945	1 004
<b>10</b>	<b>Workforce by region</b>	Europe/Japan/US/International markets	Number	
		• Europe	4 244	4 284
		• Japan	326	399
		• United States	1 179	1 156
		• International markets	2 039	1 724
	<b>Workforce by region and gender</b>	% women/men		
		• Europe	49/51	49/51
		• Japan	21/79	22/78
		• United States	55/45	55/45
		• International markets	53/47	53/47
	<b>Workforce by employment type</b>	Number		
		• Permanent contract	7 620	6 720
		• Fixed-term contract	168	843
	<b>Workforce by employment type and gender</b>	Women and men on permanent contract	% women/men	50/50 49/51
	<b>Workforce by employee function</b>	Technical operations, administrative/support staff, sales force, managers and executives	Number	
		• technical operations	417	414
		• administrative/support staff	873	844
		• sales force	2 297	2 104
		• managers	4 074	4 071
		• executives	127	130
	<b>Workforce by employee organisation</b>	Patient value functions, units, operations and practices	Number	
		Patient Value Functions	1 053	1 119
		Patient Value Practices	631	622
		Patient Value Units		
		• New Medicines	471	507
		• Immunology/Bone	753	803
		• Neurology	1 192	1 346
		Patient Value Operations	2 017	1 499
		Patient Value Technical Operation	1 671	1 667

<b>LA01</b>	<b>Newcomers by gender, age group and region</b>	Gender, age group and region (see separate table)	Number		
			• women	605	524
			• men	542	532
	<b>Departures by gender, age group and region</b>	Gender, age group and region (see separate table)	Number		
			• women	786	616
			• men	1 201	624
	<b>Turnover</b>	Number employees leaving (voluntary/non-voluntary) divided by total workforce	%	16	16
<b>LA06</b>	<b>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	2.77	2.04
	<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	0.03	0.04
<b>LA09</b>	<b>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	32/50	49/54
			• administrative/support staff	17/33	21/33
			• sales force	13/13	10/9
			• managers	19/21	16/17
			• executives	5/5	9/7

**LA01****NEWCOMERS BY GENDER, AGE GROUP AND REGION (2016)**

Gender, age group and region	Women				Men			
	≤ 29	30 - ≤ 49	≥ 50	Total	≤ 29	30 - ≤ 49	≥ 50	Total
Europe	65	154	24	243	48	187	17	252
Japan	7	19	2	28	10	61	11	82
United States	7	87	18	112	1	52	18	71
International markets	40	88	13	141	37	85	5	127
<b>Subtotal</b>	<b>119</b>	<b>348</b>	<b>57</b>	<b>524</b>	<b>96</b>	<b>385</b>	<b>51</b>	<b>532</b>

**LA01****DEPARTURES BY GENDER, AGE GROUP AND REGION (2016)**

Gender, age group and region	Women				Men			
	≤ 29	30 - ≤ 49	≥ 50	Total	≤ 29	30 - ≤ 49	≥ 50	Total
Europe	18	133	38	189	17	151	66	234
Japan	0	5	2	7	0	21	6	27
United States	2	82	40	124	1	62	23	86
International markets	73	215	8	296	91	175	11	277
<b>Subtotal</b>	<b>93</b>	<b>435</b>	<b>88</b>	<b>616</b>	<b>109</b>	<b>409</b>	<b>106</b>	<b>624</b>

## ENVIRONMENTAL DATA

GRI-G4 INDICATOR		DEFINITION	UNIT OF MEASURE	2015	2016
<b>EN 3</b>	<b>Total</b>	Total energy consumption	GigaJoules	1 137 502	854 906
	<b>Gas</b>	Gas consumption		652 584	484 297
	<b>Fuel oil</b>	Fuel oil consumption		12 956	13 674
	<b>Fuel vehicle</b>	Utility vehicle fuel consumption		158	106
	<b>Electricity</b>	Electricity consumption	GigaJoules	471 804	356 829
<b>EN 6</b>	<b>Energy saved</b>	Energy saved due to conservation & efficiency improvements	GigaJoules	6 743	7 492
<b>EN 8</b>	<b>Water</b>	Total water	m <sup>3</sup>	804 360	704 310
		Main water		624 427	509 314
		Ground & surface water		179 933	194 996
<b>EN 15</b>	<b>Direct CO<sub>2</sub> emissions – scope 1</b>	Electricity	Ton CO <sub>2</sub>	0	0
		Gas		36 610	27 569
		Fuel		963	846
<b>EN 16</b>	<b>Indirect CO<sub>2</sub> emissions – scope 2</b>	Electricity	Ton CO <sub>2</sub>	28 108	10 936
		Gas		0	0
		Fuel		0	0
<b>EN 17</b>	<b>Other indirect GHG emissions – scope 3</b>	Business Travel	Ton CO <sub>2</sub>	46 734*	54 651
<b>EN 23</b>	<b>Waste disposal</b>	Total waste	Tons	9 745*	8 712
		Total waste not recovered		520	227
		Total waste recovered		9 255*	8 486
		Subtotals			
		• Subtotal waste used principally as a fuel or other means to generate energy (EU waste recovery code R1)		2 919*	2 789
		• Subtotal waste recovered through solvent reclamation or regeneration (EU waste recovery code R2)		2 839	2 699
		• Subtotal waste recovered through recycling / reclamation of organic substances which are not used as solvents (EU waste recovery code R3)		1 604	1 295
		• Subtotal waste recovered through recycling / reclamation of inorganic materials other than metals (EU waste recovery R5)		1 790	1 603
		• Subtotal waste recovery by other methods (EU waste recovery R4, R6 & R9)		74	99
<b>EN 24</b>	<b>Total number and volume of significant spills</b>	Number		0	0
		Volume	Tons	0	0
<b>EN 25</b>	<b>Hazardous waste</b>	Hazardous waste as defined by locally applicable regulations	Tons	6 455*	5 527
	<b>Non-hazardous waste</b>	Other solid waste (excluding emissions and effluents)		3 291	3 186

\* As appropriate, a restatement of this indicator was made to improve the accuracy and comparability of data.

# 11. GRI G4 Sustainability Indicators

## GENERAL STANDARD DISCLOSURE

CATEGORY: STRATEGY AND ANALYSIS			
01	Statement of CEO	●	p 2-3
CATEGORY: ORGANIZATIONAL PROFILE			
03	Name of organization	●	p 1-2
04	Primary brands, products, and services	●	See Annual Report 2016
05	Location of the organization's headquarters	●	See Annual Report 2016
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	p 36
07	Nature of ownership and legal form	●	See Annual Report 2016
08	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	● β	See Annual Report 2016
09	Scale of the organization, including		
	• Total number of employees	● β	p 17, p 38-39
	• Total number of operations	● β	See Annual Report 2016
	• Net sales (for private sector organizations) or net revenues (for public sector organizations)	● β	See Annual Report 2016
	• Total capitalization broken down in terms of debt and equity (for private sector organizations)	● β	See Annual Report 2016
	• Quantity of products or services provided	●	See Annual Report 2016
10	Human Resources		
	• Total number of employees by employment contract and gender	● β	p 38-39
	• Total number of permanent employees by employment type and gender	● β	p 38-39
	• Total workforce by region and gender	● β	p 38-39
	• Significant variations in employment numbers	●	p 38-39
11	The percentage of total employees covered by collective bargaining agreements	○	Collective bargaining agreements are country specific
12	The organization's supply chain	●	p 14
13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	●	See Annual Report 2016
14	Whether and how the precautionary approach or principle is addressed by the organization	●	p 22
15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	●	p 11-12
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	●	p 11-12
	• Participates in projects or committees	●	p 11-12
	• Provides substantive funding beyond routine membership dues	●	p 11-12
	• Views membership as strategic	●	p 11-12

β: Indication that Standard Disclosure item is externally assured

●: Full disclosure

○: Partial disclosure

**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 the Annual Report 2016
18	Material aspect boundaries			
	• The process for defining the report content and the Aspect Boundaries	●		p 7-8
	• How the organization has implemented the Reporting Principles for Defining Report Content	●		p 7-8
19	Material Aspects identified in the process for defining report content	●		p 6
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	●		p 7-8
	• Specific limitation regarding the Aspect Boundary within the organization	●		p 7
21	For each material Aspect, report the Aspect Boundary outside the organization	●		p 7-8
22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	●		p 40
23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	●		p 36-37

**CATEGORY: STAKEHOLDER ENGAGEMENT**

24	List of stakeholder groups engaged by the organization	●		p 7
25	The basis for identification and selection of stakeholders with whom to engage	●		p 7
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	●		p 7-8
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	●		p 6-8

**CATEGORY: REPORT PROFILE**

28	Reporting period (such as fiscal or calendar year) for information provided	●	ß	p 36
29	Date of most recent previous report (if any)	●	ß	p 36
30	Reporting cycle (such as annual, biennial)	●	ß	p 36
31	The contact point for questions regarding the report or its contents	●	ß	p 48
32	The "in accordance" option the organization has chosen GRI Content Index for the chosen option	●	ß	p 1, p 37
	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	●	ß	p 46
33	The organization's policy and current practice with regard to seeking external assurance for the report	●	ß	p 46
	The scope and basis of any external assurance provided	●	ß	p 46
	Relationship between the organization and the assurance providers	●	ß	p 46
	Whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report	●	ß	p 37

**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	●	ß	See the Annual Report 2016
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**CATEGORY: ETHICS AND INTEGRITY**

56	The organization's values, principles, standards and norms of behaviour	●	ß	p 16
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ß: Indication that Standard Disclosure item is externally assured

●: Full disclosure

◐: Partial disclosure



## SPECIFIC STANDARD DISCLOSURE

### CATEGORY: ECONOMIC

#### Disclosures on Management Approach on Material Issues

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	●	ß	See the Annual Report 2016
EC3	Coverage of the organization's defined benefit plan obligations	●	ß	See the Annual Report 2016

#### Aspect: Market presence

EC6	Proportion of senior management hired from the local community at significant locations of operation	●		p 18
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### CATEGORY: ENVIRONMENTAL

#### Disclosures on Management Approach on Material Issues

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	●	ß	p 24, p 40
EN6	Reduction of energy consumption	●		p 24, p 40

#### Aspect: Water

EN8	Total water withdrawal by source	●	ß	p 25, p 40
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#### Aspect: Emissions

EN15	Direct greenhouse gas (GHG) emissions (scope 1)	●	ß	p 24, p 40
EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	●	ß	p 24, p 40
EN17	Other indirect greenhouse gas (GHG) emissions (scope 3)	●		p 24, p 40

#### Aspect: Effluent and water

EN23	Total weight of waste by type and disposal method	●	ß	p 25, p 40
EN24	Total number and volume of significant spills	●	ß	p 40
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	●	ß	p 40

### CATEGORY: SOCIAL

#### Sub-category: Labor practices and decent work

#### Disclosures on Management Approach on Material Issues

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	●	ß	p 38-39
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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	●		p 20, p 39
LA7	Workers with high incidence or high risk of diseases related to their occupation	●		p 20

#### Aspect: Training and education

LA9	Average hours of training per year per employee by gender, and by employee category	●	ß	p 19
LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	●		p 19

#### 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	●	ß	See Annual Report 2016
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ß: Indication that Standard Disclosure item is externally assured

●: Full disclosure

●: Partial disclosure

## Sub-category: Human Rights

## Disclosures on Management Approach on Material Issues

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	p 10, p 19
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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	●		p 10-11
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## Sub-category: Social

## Disclosures on Management Approach on Material Issues

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	●		p 10-11
SO4	Communication and training on anti-corruption policies and procedures	●	β	p 10
SO5	Confirmed incidents of corruption and actions taken	●		p 11

## Aspect: Public policy

SO6	Total value of political contributions by country and recipient/beneficiary	●		p 11
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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	●		p 11
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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	●		p 12
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## Sub-category: Product Responsibility

## Disclosures on Management Approach on Material Issues

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	●		p 15
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	●		p 15

## 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	●		p 15
PR5	Results of surveys measuring customer satisfaction	●		p 15

## Aspect: Marketing communications

PR6	Sale of banned or disputed products	●		p 15
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	●		p 12, p 15

## Aspect: Customer privacy

PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	●		p 15
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### Sub-category: Access to care for persons living with epilepsy in resource-poor countries

#### Disclosures on Management Approach on Material Topic

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	●	p 26-31
AC2	Total number of persons in communities having participated in epilepsy awareness programs in selected countries or provinces	●	p 26-31
AC3	Total number of health care staff having participated in neurology training programs	●	p 26-31

### Sub-category: Employee engagement

#### Disclosures on Management Approach on Material Topic

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®	●	p 21
EE2	Number (percentage) of colleagues completing the mandatory training programs	●	p 10, p 19
EE3	Number of initiatives in support of environmental sustainability and sensibilization organized by colleagues	●	p 34-35
EE4	Number of initiatives in support of UCB's CSR patient initiatives in resource-poor countries organized by colleagues	●	p 34-35

# Assurance report

## INDEPENDENT LIMITED ASSURANCE REPORT ON THE UCB SUSTAINABILITY REPORT 2016

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 of the Sustainability Report as of and for the year ended 31 December 2016 (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 2016 marked with a Greek small letter beta (**β**) 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.

### Auditor's Responsibility

Our responsibility is to express an independent conclusion about the Subject Matter Information based on the work we have performed. We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 "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 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 2016 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 our work, as described in this Independent Limited Assurance Report, nothing has come to our attention that causes us to believe that the selected indicators for the year 2016 marked with a Greek small letter beta (**β**) in UCB's Sustainability Report 2016, 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 2016 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, 23 February 2017

PwC Bedrijfsrevisoren bcvba  
Represented by

**Marc Daelman**  
Registered auditor

# CSR team

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