



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

UCB Tax Policy Statement 2025

Annual approval by Executive Committee: 3 December 2025

Annual approval by Audit Committee: 16 December 2025

Annual approval by Board of Directors: 17 December 2025

Introduction

Tax strategy and policy form an integrated part of UCB's ethical and sustainability practices and are explicitly embedded in the company's Code of Conduct, guiding compliant and ethical behavior across the organization.

At UCB, everything begins with a simple question: "How will this create value for people living with severe diseases?". UCB's tax strategy is closely aligned with its business strategy, ensuring that tax practices support and enhance overall business objectives. UCB regularly reviews its tax strategy to reflect the dynamic healthcare landscape and uphold its ethical principles.

As a multinational corporation, UCB recognizes its responsibility to pay a fair share of taxes in the countries where it operates, in line with the value created locally. UCB bears and pays corporate income taxes, customs duties, excise taxes, employment taxes, environmental taxes, and a variety of local taxes in the jurisdictions where applicable. Additionally, UCB collects (on behalf of governments) and pays employee taxes and indirect taxes such as Value Added Tax (VAT). The taxes borne/paid and collected/paid represent a significant contribution to the countries and societies in which UCB operates¹.

UCB's Tax Strategy

UCB's tax strategy is aligned with its organizational values and business strategy, as approved by the Board of Directors of UCB SA. The guiding principle is to establish and maintain a sustainable tax strategy that enables effective tax management, while reflecting UCB's core values.

The strategy is built around four core organizational pillars:

- Acting as an **Effective Guardian** of UCB's taxes, ensuring compliance with local laws and regulations in all countries, in close cooperation with the UCB Finance organization;
- Serving as a **Value-Adding Partner** to UCB's operations, thereby enabling the creation of patient value;
- Proactively **Engaging** with tax authorities, to the extent possible, to provide transparency regarding UCB's tax approach and tax positions towards the different stakeholders;
- Delivering **Functional Excellence** through skilled in-house experts from diverse backgrounds and external advisors, ensuring compliance and a strong financial backbone.

¹ Taxes borne are defined as taxes for which UCB carries the cost. Taxes collected are defined as taxes collected by UCB on behalf of others, mostly by employment generated taxes such as employee income taxes and paid on to the competent governments/authorities.

UCB has established a global tax policy, based on OECD guidelines² and other governing rules and regulations. This ensures that taxable profits are recognized in each jurisdiction according to the activities performed and the value generated locally.

UCB's tax model is centered on its main Entrepreneurial entities, which are responsible for the development, enhancement, maintenance, protection and exploitation of UCB's product portfolio. These entities are the primary strategic value drivers, operating within UCB's innovative business environment.

They oversee and manage all support and routine activities encountered along the supply chain that relates to their respective product portfolios. These activities include, but are not limited to, distribution, service, and manufacturing operations. The Entrepreneurial entities are entitled to the profit (or loss) that remains after all other group entities have been appropriately remunerated for performing these support and routine functions.

To maximize its positive impact on patients, UCB accesses government-sponsored tax incentives where appropriate and aligned with substantive business activities, including Intellectual Property regimes ("patent box regimes") and R&D tax credits.

Tax and ESG (Environmental, Social, and Governance) Considerations

UCB recognizes the growing importance of tax policy in advancing Environmental, Social, and Governance (ESG) objectives. While environmental taxes—such as carbon, plastic, and packaging levies—currently have limited financial impact on UCB's operations, the company actively monitors developments in ESG-related taxation and is prepared to adapt its approach as these become more relevant.

UCB makes use of available tax incentives and subsidies to promote R&D, innovation, and sustainable business practices, in line with its commitment to responsible conduct and the United Nations Sustainable Development Goals (SDGs). The tax team collaborates with sustainability and HR functions to identify opportunities where tax policy can further ESG priorities, such as through incentives for green investments or inclusive hiring programs.

UCB's tax strategy is regularly reviewed to ensure it supports the company's ESG ambitions, and tax implications are actively considered in strategic decision-making.

² The OECD Transfer Pricing Guidelines provide guidance on the application of the "arm's length principle", which is the international consensus on the valuation of cross-border transactions between associated enterprises – last update published January 2022.

Governance, compliance & reporting

Governance

The Global Tax team is part of UCB's Corporate Development, Finance and Digital Technology department. The Head of Tax reports to the Head of Group Finance and the Chief Financial Officer, and regularly interacts with the Executive Committee and the UCB SA Audit Committee to present UCB's tax strategy, results, positions, and tax risks. UCB's External Sustainability Advisory Board has access to all Board-level tax documentation and may review it where appropriate.

The Executive Committee, Audit Committee, and Board regularly engage in discussions on tax dilemmas. They receive ongoing updates and informal training on relevant tax topics to ensure informed oversight and decision-making.

Compliance

To meet global reporting and filing obligations across the globe, UCB ensures its tax professionals are appropriately qualified and receive continuous training. The tax team collaborates with Internal Digital Technology, Tax Technology specialists, and Leading Accounting firms to deliver high-quality compliance and statutory filings worldwide, leveraging advanced and fit-for-purpose tax technologies.

UCB is expanding its use of AI and digital tools for tax management and is ensuring ethical and compliant application of these technologies. Centralized databases and online tools are used to secure UCB's global tax commitments and ensure consistent application of its tax strategy.

Reporting

UCB prepares its consolidated Group financial statements (including taxes) in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC), as endorsed by the European Union. Taxes are an integrated part of these statements and are reviewed by the Group's statutory auditors.

UCB is committed to adhering to internationally recognized voluntary tax standards, including GRI:207 and other relevant tax governance frameworks. These standards guide UCB's approach to tax transparency, reporting, and responsible tax conduct, and are embedded into its tax policy, risk management, and public disclosures.

UCB's total reported results and taxes in the integrated annual report represent the overall performance for the year of the UCB Group. The tax expense includes current and deferred income taxes and provides a reconciliation between the effective tax rate and the weighted average statutory tax rate.

In addition to consolidated financial statements, all UCB affiliates prepare tax and financial statements in accordance with local requirements.

UCB submits its Country-by-Country report (CbCR) in Belgium under currently applicable regulations and will implement public CbCR in line with EU rules as from next year.

In addition, UCB has implemented the OECD's international minimum tax ('Pillar 2') across its global tax operations, effective from the financial year 2024, in line with the global agreement by over 140 governments.

In 2026, UCB plans to publish a Total Tax Contribution Dashboard, offering a comprehensive overview of all taxes and contributions made by UCB's entities to society - including employment taxes, direct tax and indirect taxes, and other taxes and customs duties.

Tax risk management & risk acceptance

UCB ensures that any position taken has a robust basis in international tax law and is supported by a sound business rationale. Ideally, material tax positions are covered by (bilateral) advance pricing agreements, tax rulings, mutual agreement procedures, or formal tax opinions. However, given the interpretative nature of tax law across jurisdictions, a degree of uncertainty may exist.

UCB applies a tax risk appetite matrix to guide decisions on tax positions. The Group maintains a low tax risk appetite, prioritizing compliance, transparency, and alignment with its ethical standards. The following elements are considered:

1. Alignment with business strategy & UCB operations – Organizational value, business strategy & operational feasibility
2. Double materiality threshold – Transparency requirements: Financial & Non-financial
3. Robust interpretation of tax law – Spirit of the law & legal assessment
4. Relationship with tax authorities
5. Stakeholders' consultation
6. Sustainability of the structure (in number of financial years)

UCB conducts regular risk analyses of tax-related elements that could trigger tax risks and exposures and reassesses its positions accordingly.

To ensure global consistency, UCB's tax positions across the world are managed in line with the standards of the Enterprise Risk Management Committee and the Audit Committee. Documentation is maintained for all key tax risks identified. The tax risk management approach, framework and process are in line with global risk management practices as outlined in UCB's integrated annual report.

UCB has implemented a robust Tax Control Framework (TCF), aligned with voluntary tax standards such as GRI:207 and other relevant governance codes. The TCF includes a set of well-defined controls across different areas of taxation (corporate tax, indirect tax, withholding tax, and transfer pricing) as well as broader reporting and managements areas (change in business activity, master data management, customer / supplier management, etc.). These controls allow UCB to identify, monitor and manage tax compliance and tax risks and are reviewed regularly to ensure the TCF continues to meet its objectives. Additionally, in key countries, tax authorities have access to these TCF controls and can consider those when auditing the entities.

UCB's whistleblower policy provides all employees and stakeholders with a confidential channel to report concerns, including those related to tax matters. All reports raised through this channel are handled in accordance with UCB's Code of Conduct and applicable legal requirements. The policy is accessible to all employees and is regularly communicated as part of UCB's commitment to ethical conduct and compliance.

Dealings with tax authorities & tax planning

UCB maintains a professional and ethical relationship with tax authorities worldwide, based on mutual trust and transparency. The Group has entered into horizontal monitoring programs in Belgium and the UK, and continues to seek assurance through advance pricing agreements, tax rulings, and other cooperative mechanisms where appropriate.

All transactions undertaken by UCB have a clear business purpose or economic rationale and reflect both the letter and the spirit of the law. UCB's commitment to ethical tax conduct is demonstrated through voluntary disclosures in cooperative compliance programs, such as the CTCP in Belgium, even when such disclosures are not strictly required by law. This practice fosters transparency and strengthens mutual trust with tax authorities, in line with UCB's ethical standards.

UCB views its tax payments as a contribution to society and does not use 'tax havens'³ or 'non-cooperative jurisdictions'⁴ for any business set-up that could be considered as harmful tax practices. The tax team maintains and updates a list of those jurisdictions on a quarterly basis. UCB considers that jurisdictions compliant with OECD's Pillar 2 minimum tax standards should not be classified as tax havens or non-cooperative jurisdictions.

UCB's tax team works closely with local advisers to monitor changes in the global tax landscape and proactively engages with policymakers to provide constructive business and tax technical input on tax legislation. UCB also promotes public debate on tax transparency through participation in tax sustainability groups and research initiatives, such as the involvement of UCB's Head of Tax in PlusUs and support for academic research on sustainable taxation.

³ Jurisdiction exhibiting several key features being, no or low taxes, lack of effective exchange of information, lack of transparency, and no requirement of substantial activity (OECD).

⁴ Jurisdictions having failed to fulfil their commitments to comply with tax good governance criteria within a specific timeframe, and countries which have refused to do so (EU).