UCB Modern Slavery Act Statement (2019)

This statement is made pursuant to section 54 of the UK Modern Slavery Act 2015 (“**Modern Slavery Act**”) and sets out the steps that UCB Pharma Limited, Celltech R&D Limited and UCB Celltech (the UK registered branch of UCB Pharma SA), as members of the UCB group of companies, (“**UCB**”) have taken and will continue to take to address the risk of modern slavery and human trafficking taking place within our business and supply chains. This statement is made with respect to financial year ended 31 December 2019.

Our Business

UCB is a global biopharmaceutical group of companies operating in 40 countries, with a focus on neurology and immunology. We research, develop, manufacture, distribute, market and sell pharmaceutical products in the UK and other countries, both through our in-house capabilities and through partnering with academic, biotech and pharma companies and using the expertise of an extensive network of third-party suppliers and service providers.

UCB is a growing company and now employs a total of approx. 7,500 people worldwide. We also regularly utilise agency workers and consultants to supplement our workforce, some of whom work on-site at UCB offices and others who work remotely. We contract with third parties for the purposes of supporting our research, development, production and delivery of medicines to patients in the UK and other countries (including raw material and equipment suppliers, contract manufacturing organisations, transportation and warehousing providers), and to procure goods and services necessary to operate across our business sites, such as IT, facilities management, catering and specialist agency support.

Assessment of Modern Slavery Risks

During 2019, UCB continued to review modern slavery risks in its supply chain and broader business activities. For employees, consultants and other personnel engaged to work directly at UCB’s offices, we believe the risk of modern slavery is low. These are supervised and controlled environments, where UCB’s values, policies and procedures are applied and embedded in the culture. We also have dedicated Human Resources teams who support personnel working at those locations, in line with our policies and ethical values. We continue to focus our efforts on the potential risks in our engagement of third parties, particularly in emerging markets, where we have less direct control and visibility on their business and supply chains.

Protection of Human Rights

UCB’s Corporate Strategy confirms its commitment to 5 material areas, one of which is to conduct its business responsibly and ethically. UCB’s approach to modern slavery forms part of its wider initiatives focused on human rights. We take the protection of human rights seriously and are committed to best corporate practices and ethical values. We have a zero-tolerance approach to any form of human rights abuses, including modern slavery. UCB is committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against all forms of modern slavery taking place within our business and supply chains.

UCB is supportive of government initiatives aimed at upholding and promoting human rights. We fully endorse modern slavery legislation and its objective of identifying and eliminating all forms of modern slavery in business and supply chains

Managing Modern Slavery Risks

Principles of Ethics & Compliance are embedded into our business activities, and we are dedicated to ensuring our values are upheld in all our activities. The parts of our operations where we consider there may be a potential risk of modern slavery is in our relationships with third parties, such as our supply chains (i.e. purchasing of goods and services) and agency workers, and particularly in countries where we operate which may be regarded as higher risk. We address these risks in the following ways:

UCB policies

The [UCB Code of Conduct](https://www.ucb.com/_up/ucb_com_ir/documents/UCB_Code_v21_January_2015.pdf) is our governing policy that reflects UCB’s core company values, including accountability and integrity. The Code outlines the general principles of business conduct and ethics that are expected from UCB colleagues and partners throughout the world. It is available in 14 languages and on the UCB external corporate website ([www.ucb.com](https://www.ucb.com/)). Employees and contractors are required to undertake mandatory training on the UCB Code of Conduct, which is incorporated into each employee/contractor’s training plan. Third parties are also expected to acknowledge and adhere to the principles of the Code of Conduct, which is included in their legal agreements with UCB where necessary.  UCB continues to review and update the Code of Conduct on an ongoing basis to ensure that this remains true to its core values and ethics.

In 2019, UCB developed and established Guidelines for “Decision Dilemma Tool” (“DDM”), which has been presented to and approved by UCB’s Executive Committee for roll-out across the organisation. Decision Dilemma Tool Guidelines are a set of practical tools and behaviours that empower colleagues to (1) create understanding and build empathy – key components in building and maintaining trust; (2) provide structure to decision making beyond what we, as individuals, may think is right or wrong; and (3) help recognise dilemmas that build and expand the user experience.

Talent

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

Confidential employee reporting line

Our Ethics & Compliance strategy involves ensuring an open and transparent environment where our employees have the space and confidence to report a suspected compliance breach or other concern. Employees are encouraged to report suspected non-compliance or misconduct to their manager or their primary contacts in Legal / Ethics & Compliance / Talent departments. Where this is not an option, UCB provides a confidential, toll-free reporting line (known as the Integrity Line™), which is available to all employees in 26 languages and is managed 24 hours a day, every day of the year. Information received via this forum is treated as sensitive and investigated, on a priority basis, for appropriate corrective action.

Third Party Supplier Due Diligence

UCB has processes and procedures in place to monitor its supply chains. It conducts reviews to identify risk areas with its direct suppliers and takes appropriate action where any areas of suspected non-compliance are identified. In this context, “suppliers” means third party suppliers of goods and services and other business partners who we engage with for important business activities. The roll-out of an updated global due diligence process commenced in 2017 and continued throughout 2019-20. This implements a new process for initiating engagement with suppliers and for on-going monitoring and follow up. This has been implemented in the UK and across our global operations.

More specifically, when a new supplier is identified, UCB conducts integrity due diligence involving an in-depth assessment of specific risks relating to certain critical standards, including human rights. The outcome of the due diligence process may impact UCB’s decision to engage with the proposed supplier or trigger other actions, such as specific monitoring of the supplier’s activities and processes or specific training on industry and UCB standards reflected in our Code of Conduct. Where UCB enters into a contractual relationship with suppliers it takes steps to ensure adherence to these principles, for example through appropriate clauses in our contracts.

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

Clinical trial approach

UCB has a global ethical standard for conducting clinical trials regardless of geography.  All clinical trials are designed and conducted in accordance with ethical principles applying the Good Clinical Practice standards and protocols, which includes ensuring informed consent of participants is appropriately obtained.  When recruiting trial participants, UCB strives to avoid any discrimination based upon gender, ethnicity or economic factors and additional precautions are taken when recruiting from vulnerable populations.

Internal Audits

Global Internal Audit is a critical component of UCB's overall internal control environment and structure. Its mission is to provide independent, objective assurance activities designed to evaluate and improve UCB’s internal control and operations, including compliance with applicable laws, rules, regulations and our Code of Conduct. The Internal Audit department periodically audit UCB’s global operations for potential risks related to these areas in accordance with an established rotational schedule or on an issue basis where appropriate. They continuously monitor, enforce and follow up on any compliance-related findings.

Measurement of Performance

UCB measures its conduct and performance in sustainability areas against KPIs, including relating to human rights. These include KPIs which are in line with the Global Reporting Initiative (GRI), a global standard for sustainability reporting. Our performance for 2019 is reported in our 2019 Integrated Annual Report, which confirms that no event of infringement of human rights was identified.

Next Steps

UCB will continue to monitor areas where improvements can be made in our operations, processes and procedures to further minimise the risks of modern slavery and human trafficking occurring in our business and supply chains. This will include continuing to embed Decision Dilemma Tool into our culture and policies. By conducting risk assessments of third parties. UCB will further develop tools, processes and training with respect to identifying and engaging with our employees, suppliers and other business partners in relation to risks associated with modern slavery and other human rights infringements. This statement has been reviewed and approved by the Boards of Directors of UCB Pharma Limited, Celltech R&D Limited and UCB Pharma SA and signed on behalf of each company respectively.

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Dan Coombes Yogesh Khatri

Managing Director Finance Director

UCB Pharma Limited UCB Pharma Limited

Celltech R&D Limited Celltech R&D Limited

 UCB Celltech (UK branch of UCB Pharma SA)