



UCB Fighting Against Forced Labour and Child Labour in Supply Chains Act 2024 Statement



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

Introduction

This statement is made pursuant to section 11 of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

UCB is a global group of companies under the holding company UCB S.A., incorporated in Belgium.

The UCB companies operating in Canada covered by this statement is UCB Canada Inc.

This statement refers to the financial year ending 31 December 2024 (the "Reporting Year") and sets out the steps we have taken to address modern slavery risks in our business and supply chains.

1. UCB structure, operations and supply chain

UCB is a global biopharmaceutical company, with products commercialized in 56 countries, committed to delivering long-lasting value to people living with neurological and immunological diseases, acting with focus and care, and prioritizing sustainability as our business approach.

We research, develop, manufacture, distribute, market and sell pharmaceutical products.

UCB is continuously working to advance science and embrace innovation, and our ambition is to transform the lives of people living with severe diseases, allowing them to live the best life that they can, as free as possible from the challenges and uncertainty of disease.

We are leveraging scientific advances and skills in areas such as genetics, biomarkers and human biology. Our scientists collaborate with leading researchers from academia and industry to advance science and deliver the solutions patients need. We make significant investments in biopharmaceutical research and development and embrace technologies and scientific innovations to craft solutions that make a truly meaningful impact on the lives of those with severe diseases. Our open approach to innovation equips us to meet today's biggest healthcare challenges.

In 2024, we touched the lives of over 3.1 million patients worldwide by offering impactful medicines to communities around the globe.

We employ 9,378 employees worldwide¹. We also regularly utilise agency workers and consultants to supplement our workforce, some of whom work on-site at UCB premises and others who work remotely.

We have global commercial, research and manufacturing operations with our main research centres and manufacturing sites based in Europe, the US and Asia. Further information on our business can be found in our [2024 Annual Report](#).

¹ This number represents all UCB regular active employees as of December 31, 2024. Students, apprentices, trainees, employees on leave and contractors are not included in the headcount data.

UCB's supply chains are global and complex. Through our global supply chain organisation, we ensure end-to-end oversight of supply from raw material procurement to delivery, either through distribution centres or third-party distributors.

We partner with strategic suppliers, contract manufacturing organisations (CMOs) and contract research organizations for the purposes of:

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

2. Policies and Training

At UCB, we believe how we perform business is just as important as what we do. We strive to do business the responsible way – the ethical way – each and every day.

This reflects not just in how UCB and all colleagues commit to comply with all regulatory and legal requirements governing our activities as a pharmaceutical company, but also how we create a culture where ethics and compliance are embedded and where we are driven to act with integrity every day.

We hold ourselves – and each other – to the highest standards, and our decisions are guided by our ethical principles:

- Trust is cultivated by our actions;
- Integrity is unconditional;
- Care is at the core;
- Transparency makes us stronger;
- Accountability powers our mission.

Policies

UCB's **Ethics & Business Integrity Program** helps ensure our commitment to Ethics and Business Integrity is continuously upheld, both in relation to our own core values as well as in alignment with the expectations of regulators and standard setters, including leading industry bodies such as the International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) and Innovative Medicines Canada (IMC). The Program is designed to strengthen as our dynamic business, regulatory, and social environment evolves.

As part of our written standards:

- the UCB Code of Conduct is the governing policy that reflects UCB's core company values, including our commitment to sustainability and ethical business practices. The Code, available in 24 languages, outlines the general principles of business conduct that are expected from UCB colleagues and partners throughout the world; it reinforces the ethical principles and commitments which drive our decisions and actions. All employees are responsible for embodying the Code of Conduct, living by our commitments to each other and our stakeholders.
- our Human Rights Policy serves as a foundation to identify human rights of the highest priority (salience) and respective due diligence activities that focus on actions to drive continuous improvement of human rights practices. Priority areas were confirmed through a salience assessment which established the following areas for 2024:



- Third party related risks (notably labour rights, environmental impacts, corruption)
- Non-discrimination, non-harassment and fair treatment for UCB employees
- Clinical studies
- Artificial Intelligence
- Environment (connections between environmental and social impacts)
- Right to health

➤ through our Anti-Bribery Anti-Corruption Policy (ABAC), we commit to avoid improperly influencing the decisions or actions of others with inappropriate promises of value, to prevent any adverse human rights impact in our business operations and the communities we operate in, and to hold our colleagues and all third parties to the same standards.

A new 'Leading Through Ethics' strategy to promote ethical leadership and culture, including leadership training focused on ethical decision making, and a communication strategy that emphasizes ethics and the inclusion of ethics-related metrics in performance management..

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

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

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

Standards were updated in 2024 to align with the updated Pharmaceutical Supply Chain Initiative (PSCI) principles. The Standards set expectations that business partners follow the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. Business partners shall support and respect internationally proclaimed human rights, and make sure that they are not complicit in any human rights violations. The Standards' key labour and human rights updates include the addition of expectations regarding governance and management systems (such as providing grievance mechanisms), new requirements on labour practices (such as capping weekly working hours to 48 working hours on a regular basis and setting the expectation of the payment of a living wage), and the strong encouragement for suppliers to conduct human rights due diligence in their value chain.

Both the Human Rights Policy and Responsible Sourcing Standards for Business Partners explicitly prohibit child labour and any form of modern slavery, including forced labour or human trafficking from our business partners. UCB also expects business partners to apply these, or equivalent standards, in their own upstream value chain.

Training

We strive to embed this commitment to ethics and business integrity through our corporate culture (for example, via performance objectives or vendor selection criteria), and all employees and third-party agents are expected to complete annual training on our [Code of Conduct](#).

The 2024 training completion rate reflects a continued high rate of completion of both Code of Conduct and Anti-Bribery and Corruption (ABAC) training across UCB. Employees who do not complete the required training within the allotted timeframe receive individual follow-ups from the Ethics and Business Integrity team, and completion rates are tracked closely each month.

Third parties are also expected to acknowledge and adhere to the principles of the Code of Conduct, and this expectation is reflected in our Responsible Sourcing Standards for Business Partners and in their legal agreements with UCB where necessary.

3. Due Diligence of Third-Party risks

UCB has direct suppliers in countries with a risk of child labour in general, including countries such as Brazil, India, Mexico, and Turkey, and with risk for potential forced labour in India. As such, an impact assessment was carried out to identify human rights and environmental issues-related hot spots (i.e., commodities, countries and industry sectors) in our value chain.

The assessment was based on a number of data points, including UCB's value chain analysis, risk information on the EcoVadis platform, and available data from the Pharmaceutical Supply Chain Initiative's (PSCI) Material Specific Human Rights & Environmental Impact Assessment (2020) report on high-risk commodities used in the pharmaceutical industry, in combination with publicly available value chain risk information sources, such as MVO Risico Checker, Fairtrade, U.S. Department of Labor's List of Goods Produced by Child Labor or Forced Labor, and the UNICEF Database on Child Labor. The risk evaluation was carried out according to the UN Guiding Principles on Business and Human Rights (2011), taking into account risk severity and probability. We identified areas related to potential child labour, forced labour or human trafficking, and potentially affected vulnerable groups. We also identified which human rights are at risk per area, such as right to education, and right to fair working conditions.

Based on our assessment, we face the highest risk of contributing to or being linked to labour and human rights, including health and safety impacts when operating with CMOs or using specific high-risk commodities from countries with elevated risks, even though our purchase volumes of such products are low. UCB's impact assessment, based on our value chain analysis for the PSCI-highlighted materials, found a moderate risk of child labour, forced or compulsory labour related to some commodities with origin in agriculture or mining. These include commodities or products containing rubber, palm oil derivatives, sugar or aluminium. We recognize that there is a risk of child labour or forced labour in some countries supplying these raw materials, such as Indonesia, Malaysia, Thailand and India.

In the majority of cases, we do not purchase these raw materials directly and they originate beyond our first-tier suppliers. We currently have limited visibility on the origin countries for commodities in our value chain beyond direct Tier-1 suppliers. As we strive to improve the transparency of origin for such commodities, we will introduce a raw material sustainability questionnaire to our suppliers in 2025 and technological solutions to enhance transparency in our value chain. For the commodities containing palm oil derivatives, we have visibility on UCB's suppliers that are Roundtable on Sustainable Palm Oil (RSPO) certified. This certification includes criteria for working conditions and human rights.

We continually engage with rights holders, including suppliers, workers in our value chain, and people living in the communities where we operate. We do this through supplier on-site audits, EcoVadis engagement, and ongoing contact with business partners. On-site health and safety audits of suppliers are aligned with the Pharmaceutical Supply Chain Initiative (PSCI) protocols.

We assess the effectiveness of engagement by monitoring closure of Corrective Action Plans (CAPs) related to the audit findings.

We also engage with suppliers through the EcoVadis platform. We invite our critical, strategic and high-volume suppliers to be evaluated by EcoVadis on their sustainability topics and, where needed, request CAPs to improve their sustainability level. Engagement occurs via designated supplier representatives who conduct the EcoVadis assessment and are accountable for the identified improvement areas, including those related to labour and human rights.

UCB's representatives are in regular contact with our key business partners to discuss sustainability topics in addition to commercial and quality-related matters.

In 2024, 69% of UCB's procurement spend worldwide was covered by a valid EcoVadis score. The target of 65% was exceeded, and there was improvement compared to our 2023 figure. We will continue our efforts to improve our EcoVadis spend coverage in 2025 and actively encourage our suppliers in scope to achieve a EcoVadis minimum score of at least 45. Our suppliers' average EcoVadis labor & human rights score is 64, compared to the EcoVadis network's average labor & human rights score of 50. In UK, 20 out of the 41 suppliers representing nearly 80% of supplier-related spend were assessed by EcoVadis

45% of UCB suppliers improved their labour and human rights score in 2024, compared with the previous assessment, which was under the target of 50%. We will strive to improve this result in 2025 through encouraging suppliers to carry out proposed labour and human rights-related corrective action plans (CAPs), and by providing capacity building resources to them via PSCI, EcoVadis, and the Responsible Health Initiative. The improvement of EcoVadis scores and progress in closing CAPs is how performance is tracked against targets.

In 2024, one report submitted via UCB's Integrity Line was related to value chain workers and reported by a non-employee. The case was found to be unsubstantiated.



4. Risk management

Within Enterprise Risk Management at UCB, we maintain our commitment to our purpose, strategy and sustainable approach and seek to find new ways to manage risks and deliver impact in an increasingly volatile, complex, fast moving and ambiguous environment. Our approach to risk management is to educate and enable teams throughout UCB to identify and assess key vertical and transversal risks and plan for response. By analysing potential risk exposure, decisions can be made in a more informed manner.

UCB continues to demonstrate its commitment to managing uncertainty by creating accountability at the top and driving action by the business. Ownership and accountability for risk at each level sits with the relevant leadership team and every enterprise risk is overseen by a member of the Executive Committee who is accountable for understanding the nature of the risk and enabling our response to it.

Our focus is to evaluate emerging risks that could affect our ability to achieve our long-term strategic ambition. We define risks as 'emerging' if we need to know more about how likely they are to materialize, or what impact they would have if they did. We investigate these further before deciding if they need to be classified as enterprise risks.

Examples of key emerging risks we have identified include the availability and impact of mass generative AI, impact of new disruptor events on supply chain, poly-crisis preparedness, environmental crisis and the impact of disruptive information on UCB's value.



5. Sustainability

UCB is committed to sustainable practices in all our business operations. As we move towards compliance in alignment with the European Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) from 2024 onwards, our Sustainability Statement (page 56 onwards of the Integrated Annual Report) provides details of our sustainability reporting for the full year 2024 (including policies, targets, and performance on our material topics).

UCB measures its conduct and performance in sustainability areas against Key Performance Indicators (KPIs). These include KPIs which are in line with the Global Reporting Initiative (GRI), a global standard for sustainability reporting, as well as progress on the UN Global Compact 10 Principles.

We have following year 2025 Targets related to our supply chain:

- External spending for suppliers with a valid EcoVadis score 70%.
- UCB re-assessed suppliers to improve their EcoVadis score on labor and human rights 50%.

6. Remediation Measures

We have no evidence of child labour, or of forced or compulsory labour among workers in our value chain in the Reporting Year and have therefore not taken any steps to remediate forced or child labour or the loss of income to the most vulnerable families. If UCB discovers any forced or child labour it will take appropriate remediation steps.

7. Measuring Effectiveness

As set out above, UCB measures its conduct against certain KPIs. Further, we periodically review our suppliers' EcoVadis scores to assist in determining effectiveness.

We also regularly review our policies and procedures to ensure continued effectiveness and monitor our UCB Integrity Line for any instances of forced or child labour.



The Report was approved pursuant to paragraph 11(4)(a) of the Act by the Board of Directors of UCB Canada Inc.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

DocuSigned by:

Rodrigo Reis

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Rodrigo Reis

Director and General Manager, Canada

May 31, 2025

I have authority to bind UCB Canada Inc.

