



Accounting for Value:
**2021 UCB U.S. Sustainable Access
and Pricing Transparency Report**

www.ucb-usa.com



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

Letter from our leaders

UCB supports a competitive, value-based system that will improve sustainable, affordable, and equitable access for all patients who need our medicines now and in the future. At UCB, we want to give people with severe, chronic diseases the freedom to live their best lives.

We work in a way that is sustainable as we care for the patients who need our solutions, for our employees, for the communities where we live and work, for our shareholders, and for the planet. With more than 90 years behind us, we are looking to the future.

This first **UCB U.S. Sustainable Access and Pricing Transparency Report** provides information to stakeholders about how UCB accounts for the value of its medicines as well as outlines the actions we have taken toward a system-wide access and policy reform to build a sustainable system together. We have a fundamental commitment to enabling people living with severe diseases, their caregivers, and their families to help them live the lives they want.

This Report by the Numbers



100,214

Number of patients served by UCB patient assistance programs in 2021

400

Number of patients participating in UCB's Decentralized Clinical Trials



-4.0%

2021 increase in net price (cross portfolio)

46.6%

Portion of UCB gross sales provided to payers as rebates/ discounts in 2021

\$2.8 billion

2021 rebates and discounts provided by UCB to supply chain stakeholders, including private and public payers

We remain focused on our commitment to patients, their caregivers, and their families as we continuously innovate to bring **differentiated solutions with unique outcomes**, which helps specific patients achieve their goals and create the **best individual experience for them**. This also means **ensuring access** to all who need these solutions in a way which is viable for patients, society, and UCB.

This report includes:

- How we deliver affordable access and account for value, including in our pricing decisions
- Our actions aimed at sustainable access in the U.S. healthcare system
- Policy reform opportunities to build a sustainable system together

Emmanuel Caeymaex
Executive Vice President and Head of U.S. and Immunology Solutions

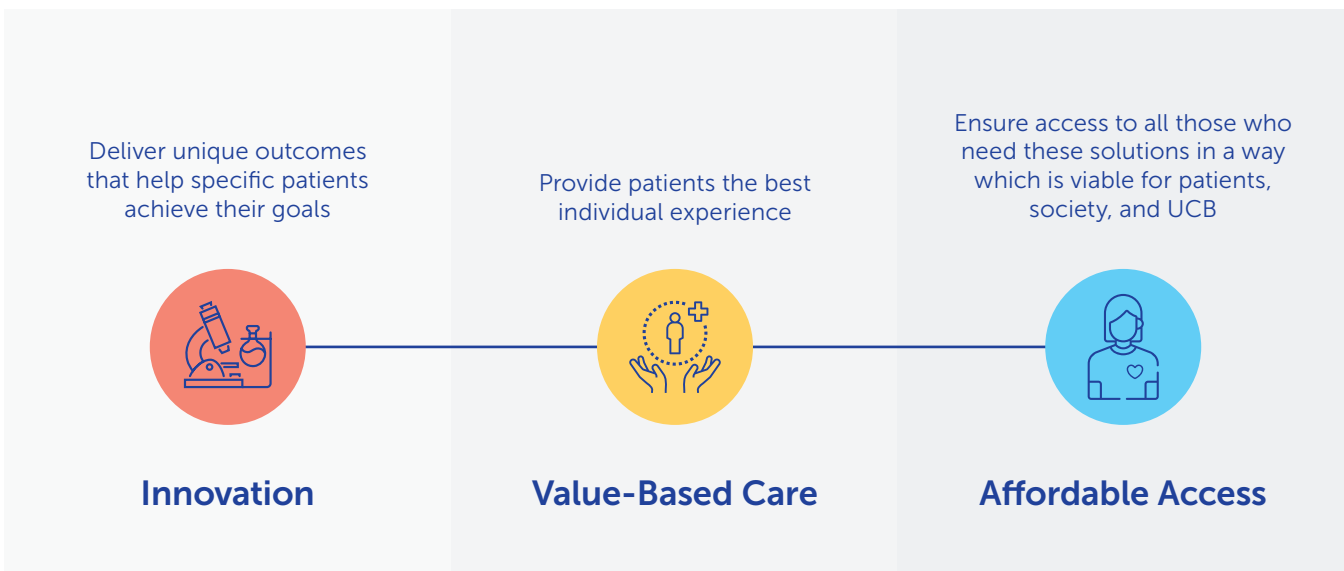
Patty Fritz
Vice President and Head of U.S. Corporate Affairs

Our Actions Aimed at Sustainable Access in the U.S. Healthcare System

UCB's goal is to enhance availability, accessibility, and affordability of UCB solutions for the patients who need them to help them live their best lives. Despite ongoing efforts to reduce health inequities, unfortunately barriers to sustainable access still exist in the current healthcare system.

- Patients are not always able to access or afford the best medicines available for their unique conditions
- The system does not always recognize the value of innovative treatments for specific patients

Additionally, health inequity has significant and systemic implications on the health, social, and economic wellbeing of people and communities. Health equity is an important aspect of sustainable access and we are committed to addressing systemic differences in the health status of different population groups so that no one is disadvantaged from achieving their full health potential because of any social determinants of health.



Patient Affordability and Transparency

UCB makes information on our pricing and affordability available to patients. We provide accurate information on list price or wholesale acquisition cost (WAC), expected out-of-pocket costs across commercial, Medicare, and Medicaid channels as well as patient assistance information on our website at:

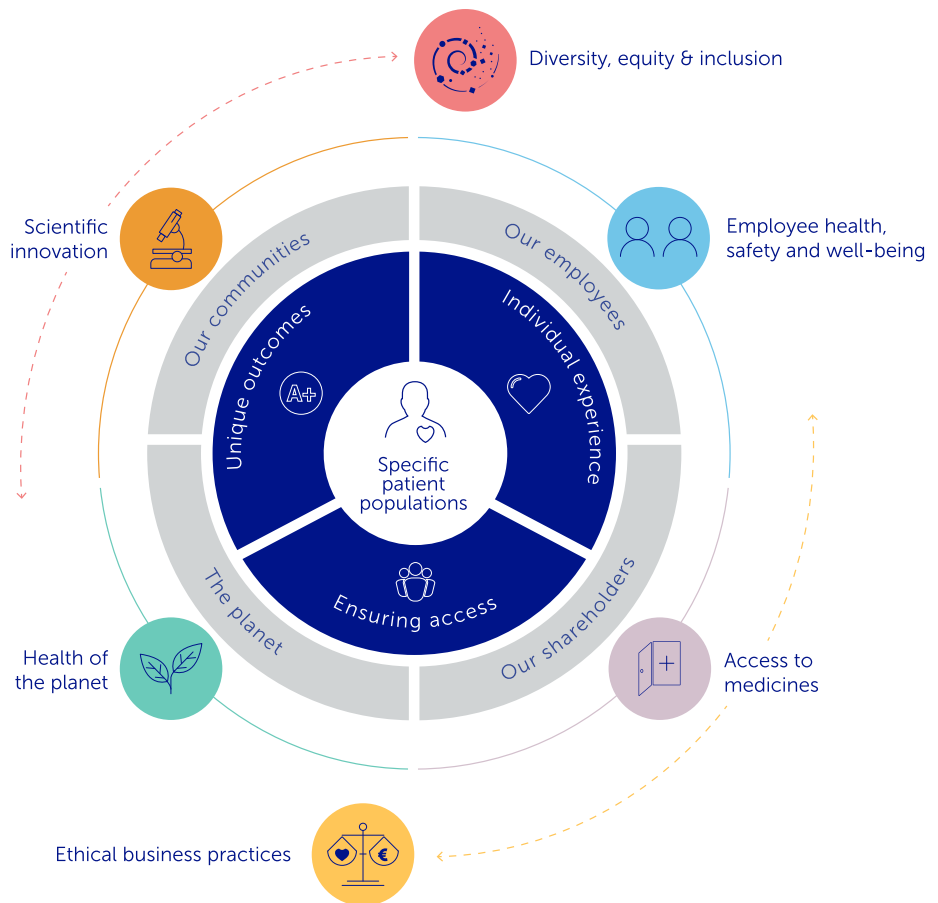
[UCB-USA.com/affordability](https://www.ucb-usa.com/affordability).

Through our actions, we are dedicated to the continued evolution of an **equitable** public policy environment that recognizes and rewards **innovation**, encourages **value-based care**, and promotes **affordable access** to medicines for patients.

At UCB: Sustainability is Our Business Approach

At UCB, our business strategy is guided by our sustainability approach: improving health in society and driving business growth. Our focus is not only on the short-term; we take a long-term business view.

This also applies to our approach to creating value. While we aim to create a better future for patients, we also strive to do this for the many stakeholders of our ecosystem, including all UCB colleagues. To achieve our ambition, we have placed sustainability at the center of our business strategy, and we have committed to focusing on key areas where we believe we can make the most differentiated impact – one of those being access to medicines.



For UCB, sustainable access is ensuring access to all who need our solutions in a way which is viable.

We are committed to scientific innovation and the discovery, development, and delivery of differentiated solutions that provide measurable value to patients— improving their lives now and in the future. Our commitment to scientific advancements is why we reinvest around 25% of our revenue each year in research and development globally.

About UCB in the United States



14%
increase in U.S. employees
from 2019 to 2021



7 UCB offices
across Georgia, Massachusetts,
North Carolina, Washington, and
Washington, D.C.



\$678 million
2020 U.S. economic footprint



More than 100
active clinical studies

“At UCB, we put patients at the heart of everything we do. Ensuring patients and their caregivers have the best individual experience is embedded in every aspect of our work to deliver value for people living with severe diseases.”

– Matt Harutunian, Head of U.S. Advocacy

Our goal is to address the unmet needs of patients living with a range of complex conditions, with a primary focus on neurological and immunological disorders.

We continue to develop and deliver new solutions to support several patient populations including those living with **psoriasis, rheumatoid arthritis, non-radiographic axial spondylarthritis, epilepsy,** and **osteoporosis** with continued development efforts in diseases such as **myasthenia gravis** and **systemic lupus**.

For Additional Information on UCB, Visit:

- [U.S. Public Policy Platform](#)
- [ucbCARES Patient and Provider Resources](#)
- [Affordability Information](#)
- [Sustainability as Our Business Approach](#)
- [Diversity, Equity, and Inclusion at UCB](#)
- [UCB-USA.com](#)

Our purpose is to create value for patients.
Now and into the future.

Our Areas of Focus



Neurology



Immunology

Our People



~40 Countries



8.6k Employees



3.7M Patients

use our medicines around the world



Sustainability as business approach

1928

90+ Year scientific heritage

How UCB Delivers Affordable Access and Accounts for Value

UCB is focused on delivering sustainable access by striving to make our solutions affordable for patients and society.

We aim to apply a principled, evidence-based approach when pricing our medicines, consistent with the value our solutions create for society, patients, and the healthcare system. Additionally, we offer access programs to support patients and we partner in ways to benefit society.

The current U.S. access and pricing environment – particularly around affordability and insurance benefit design – is unsustainable for patients, society, and our business. Recognizing this environment while also prioritizing our commitment to ensuring patients can access needed medications while maintaining a sustainable pricing model, UCB developed and implemented a set of foundational pricing principles in 2019 that tie price to value.

As part of UCB's pricing principles, net prices generally do not increase each year by more than the CPI-U, a metric that represents the percent change over time of the price of specific goods and services in the U.S. Any increase in price is tied to the value UCB's products bring to patients and society. Exceptional net price increases above CPI-U are linked to meaningful increase in patient or societal value*. CPI-U baseline is determined by a combination of Bureau of Labor Statistics data and Federal Open Market Committee (FOMC) forecasts.

Patient Support

ucbCARES: At UCB, we keep patients at the heart of everything we do. Patients should never feel alone or left with unanswered questions about medications they have been prescribed. ucbCARES is a dedicated service providing support to patients, caregivers, and healthcare professionals throughout the treatment journey. ucbCARES helps patients find answers to their questions and receive the respect and care they deserve.

When contacting ucbCARES, patients and their families interact with specialists who are caring, ready to listen, and prepared to help. We are proud of our team of compassionate and informed professionals who are trained to provide the caring answers needed. The ucbCARES team can be reached [online](#) or by phone at 1-844-599-CARE (2273) to help with questions about UCB products, clinical trials, or our assistance programs.

Patient Assistance: While UCB advocates for policy changes that will help to improve patient access and affordability, we understand patients need assistance to obtain their medications right now. We engage with patients to better understand their clinical, economic, social and personal needs, and remain committed to ensuring that patients, whose physicians have prescribed our medications, are able to access these products.

Through the UCB Patient Assistance program, we provide certain medications at no cost to eligible and qualified patients who are uninsured or underinsured who otherwise have no access to the UCB medications prescribed by their physician.

UCB also works to ensure our medicines are accessible to those who need them by considering patient out-of-pocket costs when negotiating formulary access with payers and offering patient assistance programs for uninsured or underinsured patients. For future launches, we use an internal pricing framework to continue ensuring our pricing reflects the value our medicines provide to specific populations with unmet needs.

*For example, new data or enhancements that benefit existing or new patient populations.

UCB Portfolio Pricing for Sustainable Value – 2017-2021

UCB has decreased its cross-portfolio net prices four years in a row. Building on this momentum, we implemented our pricing principles in 2019, illustrating our dedication to value-based pricing.

Simultaneously, our average discount rate increased by 4.5 percentage points, with UCB's 2021 discounts hitting an all-time high of 46.6%. That means UCB **decreased its prices by 46.6%** as part of negotiations with health insurers and government statutorily required discounts. (See Figure 1).

Discounts are frequently a part of negotiations with payers and pharmacy benefit managers (PBMs). We provide discounts or rebates to these entities to support and improve access for patients who need and would benefit from our medicines. In the current U.S. healthcare system, rebates and discounts should translate to lower cost-sharing and **greater affordability** for patients; however more can be done to ensure these discounts are passed to patients at the pharmacy counter. Despite the constraints of the current system, we aim to create value for patients by helping them access the medicines they need to enable them to live their best lives, whatever that means for them.

FIGURE 1 – Changes in UCB U.S. Product Portfolio Pricing, 2017-2021

	2017	2018	2019	2020	2021
US Product Portfolio % Change vs. Prior Year¹					
List Price Change ² (WAC)	9.4%	5.6%	6.4%	4.9%	4.1%
Net Price Change ³	11.1%	4.1%	3.6%	-2.5%	-4.0%
US Product Portfolio					
Avg. Discount ⁴ (%)	37.7%	36.1%	39.4%	42.2%	46.6%

¹ Annual percent change vs. prior year was calculated at a product level and weighted across the company's US Product Portfolio

² Represents the year-over-year change in the average list price or wholesale acquisition cost (WAC)

³ Represents the year-over-year change in average net price, which is WAC less rebates, discounts and returns, as provided by UCB Finance

⁴ Weighted average annual discount is calculated by dividing the sum of annual rebates, discounts and returns by annual gross sales

Data Note: Rebates, discounts, and returns are estimated by the company and methodologies used may differ from those used by other companies. This data is not audited and should be read in conjunction with the company's filings with the Financial Services and Markets Authority (FMSA). UCB implemented its pricing principles and the realization took place between 2019 and 2020, which is reflected in the data.

FIGURE 2 – Patients Benefiting from UCB Products in the U.S.

	2017	2018	2019	2020	2021
US Patients Served by UCB Products	272,860	282,095	321,986	334,942	417,834

*Based on December monthly data aggregated for U.S. marketed products (Briviact, Cimzia, Nayzilam, Neupro, and Vimpat). Nayzilam's first full-year on the market was 2020

UCB pays **\$2.8 billion** in rebates, discounts and fees, with the majority going to government programs such as Medicare, Medicaid, the 340B Drug Pricing Program, Veterans Affairs and Department of Defense.

The rebates, discounts, and fees paid by UCB are a reflection of the misaligned incentives in our current U.S. system that prioritize robust concessions between manufacturers and payers to ensure patients can access vital medicines at an affordable cost. Unfortunately, discounts and rebates are not always used by payers to decrease out-of-pocket costs for patients. UCB negotiates rebates and discounts with both private and public payers. The portion of discounts UCB has paid to Medicaid (23%) reflects the supplemental rebates that states negotiate directly with manufacturers. The Medicaid discounts along with discounts from Medicare programs (8%), and other public insurance programs, results in almost 50% of all discounts going towards programs critical to many older and low-income Americans. **UCB works within the current system, providing robust negotiated rebates and discounts, to ensure that patients have access to needed medications, while simultaneously endeavoring to positively change that system to improve patient affordability of all medicines.**

FIGURE 3 – Patients Benefitting from UCB Assistance Programs

	2017	2018	2019	2020	2021
Patients Benefitting from UCB Assistance Programs (including PAP and CoPay)	56,245	68,438	72,803	84,754	100,214

Over the same time, UCB’s assistance programs – including the patient assistance program and copay assistance – have helped more than 429,000 patients, increasing in number year over year. UCB also expanded its Patient Assistance criteria during the COVID-19 pandemic in 2020.

How We’re Leading to Drive Value, Equity, and Digital Innovation to Further Sustainable Access for Patients

Value-Driven Care

/// At UCB, we believe innovation doesn’t just happen at the lab bench, it can happen in the board room too. And our focus on contracting strategies that keep up with the pace of the real world is proof of our ultimate commitment to improving patients’ lives. **///**



Kelly Guntrum
Head of Rare Disease
Access Strategy, UCB

Value-Based Contracts: UCB supports optimal access to our medicines across a broad range of health plans through a unique value-based contracting approach, which includes partnering with commercial and government payers to ensure equitable access to our products and that the cost reflects the product’s efficacy.

Equity

// Diversity and inclusion in clinical trials is critical, and UCB is working to find new ways to connect to unique patient populations through our technological and data-driven approaches. //



Kim Doggett
Head of Site
Engagement, UCB

Decentralized Clinical Trials (DCT): In the last year, UCB further prioritized diversity in our clinical trials. Through ongoing work with Science 37, UCB leveraged our proprietary myUCB digital research platform to collect data and feedback from study participants to improve the patient experience in clinical trials. Across the portfolio, UCB has 20 studies in the DCT model. Out of nearly 400 patients who entered treatment through our DCT platform, 53% have engaged remotely. Our DCT approach reduces patient burden and makes it easier for patients to access our trials, regardless of where they live, and for UCB to learn from and reach under-represented patient populations. The critical insights gleaned from myUCB and the DCT platform guide where and how UCB invests our research dollars to help patients live their best lives—as defined by patients—and to access the solutions they need most.

Digital Business Transformation

// Digital platforms have allowed UCB to leverage new capabilities and data assets that are more representative of real-world populations. There is a gap between the insights and efficacy that can be established in a clinical trial versus when patients are using our products in the real world. Digital tools allow us to track outcomes we can achieve. //



Eddie Lee
Head of US HEOR
Strategy, UCB

Real World Evidence (RWE): Our digital business transformation has enabled us to leverage RWE in almost real-time to better understand the value our medicines deliver to patients. In 2020, UCB announced a partnership with Aetion, a leader in RWE analytics, allowing UCB to rapidly respond to payer questions around the effectiveness and value of our products. Through this partnership, UCB has reduced the time it takes to respond to payer queries from 3 to 4 months to 2 to 3 weeks. This reduction has enabled us to assess patient needs faster and ensure data-driven partnerships with payers.

Policy Reform Opportunities to Build a Sustainable System Together

We encourage positive disruption to make our health system better, stronger, and more accessible now and in the future. To better account for value, improve access and affordability, increase health equity, and create a more sustainable healthcare system, we need to advance policies that broadly recognize value and improve access and affordability for patients. UCB wants to be part of the solution and believes now is the time for transparency on current access and affordability to facilitate critical conversations to move our healthcare system forward.



Improving Patient Affordability

We are committed to working across the healthcare ecosystem – with patients, payers, providers, caregivers and policymakers – to explore a broad range of value-driven contracting and financing approaches that more **clearly connect price to value** and support smarter spending in the healthcare ecosystem, while ensuring that patients are able to access and afford the next generation of transformative medicines such as:

- The current Medicare Part D cost-sharing structure can leave patients facing high out-of-pocket costs. UCB supports a redesign aimed at lowering patient out-of-pocket costs and allowing patients to “smooth” large costs over the benefit year.
- Patients do not share in negotiated discounts for prescription drugs. Often, patients’ cost-sharing at the pharmacy counter is based on the full list price, rather than the negotiated, or net, price insurers pay. Basing patient cost on **negotiated, rather than list, prices would meaningfully lower patient out-of-pocket costs.**
- Patients should have access to a range of **affordable, quality health plan options** that permit patient assistance from manufacturers and offer robust patient protections. To that end, UCB supports policy reforms that require copay assistance from manufacturers to count toward a patient’s deductible and out-of-pocket maximum (e.g., copay accumulator and maximizer bans), or at least limit the use of those programs.

Preserving the Provider-Patient Relationship

We believe in enhancing healthcare providers' ability to choose the best medicine for an individual patient's treatment needs and goals while minimizing unnecessary administrative burdens or treatment restrictions (such as prior authorization procedures).

Step therapy is used by many payers as a mechanism to save money for themselves, requiring patients to "step through" or "try and fail" on one or more treatments before getting access to the most appropriate treatment, as determined by the patient and their healthcare provider. Step therapy requirements only account for the cost of the drug to the plan, not overall costs to the healthcare system.

We support policies that enable step therapy override protocols to preserve patient-provider shared decision-making and outline a clear path for providers to override step therapy policies under certain circumstances (e.g., when it would endanger the patient's health or the patient has previously tried and failed on step through treatments, the protocol is expected to be ineffective or lead to adverse reaction in the patient) and to protect the health of the patient.

Supporting Patient-Centered Value Assessment Recognizing Range of Sub-Populations

The U.S. healthcare system continues to evolve from a system of care delivery and reimbursement that is volume-based toward a value-based approach. To that end, we are committed to better **accounting for value** and support ensuring that frameworks for capturing, measuring, and assessing value are aligned with broad principles that support sustainable value and equitable access to healthcare, beginning in the drug development stages.

UCB recognizes the importance of value-assessment frameworks and has developed a broad set of **Principles for Value Assessment** to ensure these frameworks support sustainable value and equitable access to healthcare. Specifically, we advocate for value-assessment tools that are:

- Patient-centered, taking into account populations that are typically underrepresented in research and drivers of health disparities;
- Transparent, peer-reviewed and reproducible;
- Continuously reviewed and updated as necessary to account for scientific development and the current landscape, involving a range of stakeholders throughout the process;
- Value treatments that address unmet needs;
- Focused on all aspects of the healthcare system; and
- Utilize a wide range of high-quality evidence, incorporating digital transformation to enhance applicability to decision-making.

"UCB recognizes that for our care to be truly value-driven, every stakeholder across healthcare has a role to play. We have an imperative to work together for the benefit of patients."

– Patty Fritz, Vice President,
Corporate Affairs

