



Accounting for Value

2022 UCB U.S. Sustainable Access and
Pricing Transparency Report

Letter from Our Leaders

UCB supports a competitive, value-based system that provides sustainable, affordable, and equitable access for all patients who need our medicines.

Our approach to innovation has always kept patients at the center. We consider the person, not just the disease, and we aim to address their needs in ways that go beyond only medicines, especially when it pertains to providing innovative solutions to address access and affordability challenges.

Now in its second year, the **UCB U.S. Sustainable Access and Pricing Transparency Report** continues to provide information to stakeholders about how we account for the value of our medicines as well as outline the actions we have taken to build a more sustainable system together.

We make every decision with an eye to how it affects the people who put their trust in us: the people who rely on our medicines, families and caregivers, health care providers, payers,

and the entire healthcare value chain. We strive to earn this trust every day by honoring our commitment to deliver moments that matter for people impacted by severe diseases, now and into the future.

This report includes:

- How we are leading efforts to achieve sustainable access in the U.S. healthcare system
- How we deliver affordable access and account for value, including when pricing our medicines
- Policy reform opportunities to build a sustainable system together

This Report by the Numbers



95,583

Number of patients served by UCB patient assistance programs in 2022

46%

of eligible UCB clinical studies implemented Decentralized Clinical Trial model



-3.3%

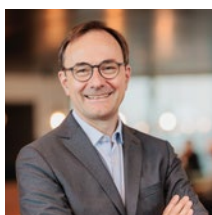
Change in net prices for 2022 (cross portfolio)

48%

Portion of UCB gross sales provided to payers as rebates/ discounts in 2022

\$2.9 billion

2022 rebates and discounts provided by UCB to supply chain stakeholders, including private and public payers



EMMANUEL CAEYMAEX

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



PATTY FRITZ

Vice President and Head of U.S. Corporate Affairs

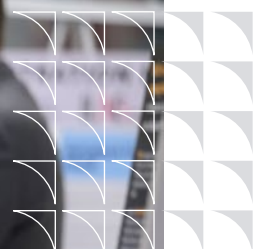
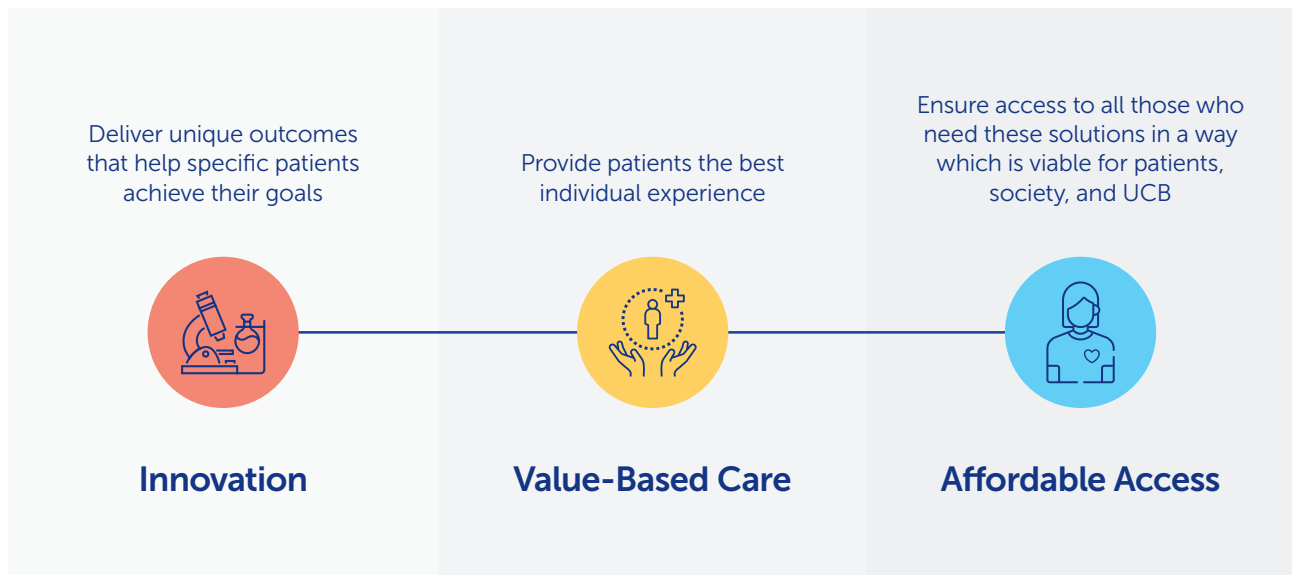
Access Vision, Strategies, Goals, and Governance

Leading Efforts to Achieve Sustainable Access in the U.S. Healthcare System

We commit to making our medicines as accessible as possible in ways that are sustainable for people impacted by severe diseases, for UCB, and for society. Despite ongoing efforts, barriers to sustainable access still exist within our 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 medicines for specific patients.

Systemic health inequities also add barriers that significantly impact the health, social, and economic wellbeing of people and communities. At UCB, we believe we cannot achieve sustainable access without health equity and are addressing social determinants of health that have exacerbated health inequities among historically underserved communities.



Our Strategy

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 a range of coverage channels, as well as patient assistance information on our website at: [UCB-USA.com/affordability](https://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.

Sustainable Performance

At UCB we are defined by our purpose: creating value for patients, now and in the future. Sustainability is at our core, and we innovate to bring differentiated solutions with unique outcomes that help diverse patients achieve their life goals. We are committed to improving access to these solutions for all patients who need them in a way that is viable for UCB, our investors, and society.

We are working to ensure that participants in UCB clinical trials are reflective of the populations that will ultimately benefit from our new medicines. We are committed to scientific innovation and the discovery, development, and delivery of differentiated solutions that provide measurable value to people living with severe diseases – 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



1 694

U.S. employees in 2022



\$821.5 million

2022 U.S. economic footprint



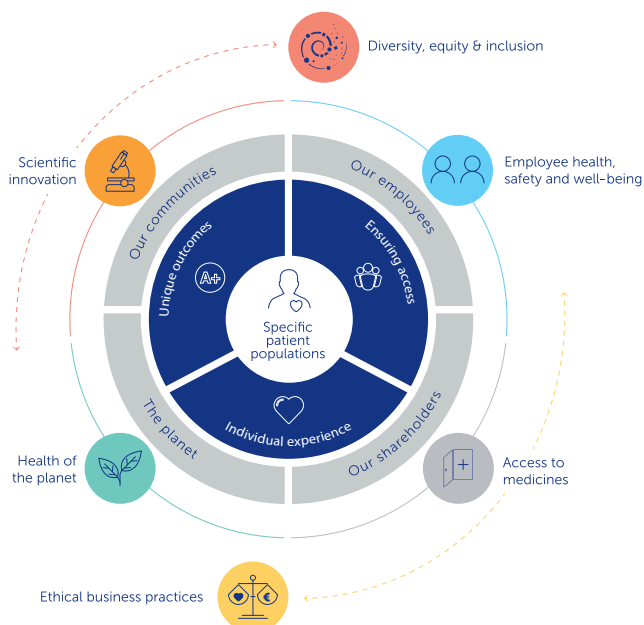
More than 100

active clinical studies



7 UCB Offices

across 5 communities maintaining sites in Georgia, Massachusetts, North Carolina, Washington, and Washington, D.C



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

Our Areas of Focus



Neurology



Immunology

Our People



36
Countries



8.7k
Employees



3.4M Patients

use our medicines around the world



Sustainability as business approach

1928

90+ Year scientific heritage

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

We continue to develop and deliver impactful solutions to support patient populations including those living with **psoriasis**, **psoriatic arthritis**, **non-radiographic axial spondyloarthritis**, **epilepsy**, **rare syndromes such as Lennox-Gastaut and Dravet**, and **osteoporosis** with continued development efforts in diseases such as **myasthenia gravis**, **hidradenitis suppurativa**, 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](#)

“For people living with a rare disease, we know that their journey is complex and that every patient is different. It’s in those moments that matter where we can listen to patients and understand their experience to help decrease their time to diagnosis and treatment while addressing unmet needs in the rare disease community.”

Kimberly Moran, PhD, MBA,
Head of U.S. Rare Diseases

Patient Access

Delivering Affordable and Equitable Access for Patients While Accounting for Value

UCB is focused on delivering sustainable access by striving to make our medicines 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 who may face barriers to accessing or affording needed medicines.

The current U.S. access and pricing environment – particularly around affordability and insurance benefit design – creates sustainability challenges for patients, society, and our business. We are disappointed policies which could reduce access and limit innovation are being implemented. We believe there is more to do to evolve the healthcare system to serve patients better, including examining the entire U.S. drug value chain to identify reforms that will improve access and affordability while allowing for continued innovation to bring improved treatments to people living with severe diseases.

We continue to innovate and invest in differentiated solutions for people living with severe diseases, considering their journey to help achieve their own goals and live their best possible lives. However, utilization management policies can create insurmountable access barriers for patients. This can be especially challenging for those living with diseases like rare neurological and immunological diseases where few options currently exist and the journey to diagnosis may be long.¹

Prioritizing our commitment to ensuring patients can access needed medications in this environment 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 Consumer Price Index for All Urban Consumers (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.² The CPI-U baseline is determined by a combination of Bureau of Labor Statistics data and Federal Open Market Committee (FOMC) forecasts.

Patient Support

ucbCARES: 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.

When contacting ucbCARES, patients and their families interact with specialists who are caring, ready to listen, and prepared to help. 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.

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 Population Health Resources: Population health is an important aspect of understanding the needs of people living with severe diseases and seeking solutions to address those needs. Our population health teams work with a wide range of stakeholders to help address challenges facing groups of individuals and their health outcomes. View our [online resources](#) to learn more about UCB's initiatives.

1 Global Genes. "RARE Disease Facts." <https://globalgenes.org/rare-disease-facts/>. Accessed January 10, 2023.

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

Figure 1 – Patients Benefitting from UCB Assistance Programs

	2018	2019	2020	2021	2022
Patients Benefitting from UCB Assistance Programs (including PAP and CoPay)	68 438	72 803	84 754	100 214	95 583

UCB’s assistance programs – including the patient assistance program and copay assistance – continue to help patients afford their needed medicines.

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 that our pricing reflects the value our medicines provide to specific populations with unmet needs.

“As UCB continues to expand our portfolio of medicines for epilepsy, rare epilepsy syndromes, and seizure rescue, we remain dedicated to delivering transformative medicines.”

Brad Chapman,
Head of U.S. Epilepsy and Rare Syndromes

UCB Portfolio Pricing for Sustainable Value – 2018-2022

We strive to promote a healthcare system that provides sustainable, affordable, and equitable access for all people who need our medicines.

Guided by our pricing principles, we follow a value-based pricing approach to support access to our medicines. As a reflection of our principles, UCB has decreased its cross-portfolio net prices five years in a row.

Simultaneously, our average discount rate increased by 2.9 percentage points, with UCB’s 2022 discounts hitting an all-time high of 48.0%. That means UCB decreased its prices by almost half as part of negotiations with health insurers and statutorily required government discounts. We provided \$2.9 billion in rebates, discounts, and fees to private payers and government programs as well as providers, distributors, and others.

The rebates, discounts, and fees paid by UCB reflect the misaligned incentives in our current U.S. value chain that prioritize robust concessions between manufacturers and payers. However, we provide these discounts or rebates to payers and pharmacy benefit managers (PBMs) to support and improve access for patients who need and would benefit from our medicines. The portion of discounts UCB pays to Medicaid (21%) reflects the supplemental rebates that states negotiate directly with manufacturers. Medicaid discounts along with discounts from Medicare programs (29%), and other public insurance programs, results in almost 50% of all discounts going towards programs critical to many older and low-income Americans.

In the current U.S. healthcare system, rebates and discounts should translate to **lower cost-sharing** and **greater affordability** for patients. Unfortunately, discounts and rebates are not always used by payers to decrease out-of-pocket costs for patients. More can be done to ensure these discounts are passed to people at the pharmacy counter. Despite the constraints of the current system, we aim to create value for people living with severe diseases by helping them access the medicines they need to enable them to live their best lives, whatever that means for them.

UCB works within the current system, providing robust negotiated rebates and discounts, to ensure that patients have access to needed medications, **recognizing that this may not always lead to lower out-of-pocket costs for patients. As such, UCB simultaneously endeavors** to positively change that system to improve patient affordability of all medicines.

Figure 2 – UCB U.S. Product Portfolio Pricing % Change, 2018-2022

	2018	2019	2020	2021	2022
U.S. Product Portfolio % Change vs. Prior Year¹					
List Price Change ² (WAC)	5.6%	6.4%	4.9%	4.0%	6.3%
Net Price Change ³	4.1%	3.6%	-2.5%	-2.3%	-3.3%
U.S. Product Portfolio					
Avg. Discount ⁴ (%)	36.1%	39.4%	42.2%	45.2%	48.9%

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

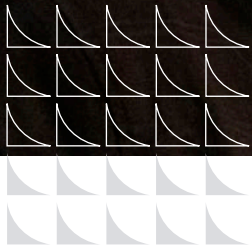
Data Note: Rebates, discounts, and returns are estimated by the company and methodologies used may differ from those used by other companies. This data is not audited and should be read in conjunction with the company's filings with the Financial Services and Markets Authority (FSMA). UCB implemented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

Figure 3 – Patients Benefiting from UCB Products in the U.S.

	2018	2019	2020	2021	2022
U.S. Patients Served by UCB Products	282 095	321 986	334 942	417 834	312 403

*Based on December monthly data aggregated for U.S. marketed products (BRIVIACT^{***}, CIMZIA^{***}, FINTEPLA^{***}, NAYZILAM^{***}, NEUPRO^{***}, and VIMPAT^{***}). NAYZILAM^{***}'s first full year on the market was 2020. In 2022, FINTEPLA^{***} was added to UCB's portfolio and VIMPAT^{***} had a loss of exclusivity.

** Prescribing information varies depending on regulatory approval in each country.



UCB Perspectives

Discovering solutions propels patient care forward. UCB aims to continuously innovate and invest in differentiated solutions for people living with severe disease. We strive to undertake initiatives beyond medicines to accelerate discoveries, help the value chain work better, and improve the patient journey.



Value-Driven Care



Equity

Value-Driven Care

Collaborating with Patient Communities

UCB understands that regular engagement with the people who use our medicines, healthcare professionals, and advocacy and professional organizations is an important aspect of our work to advance policies that support value-driven care and help people living with severe diseases. Every day, we work to ensure that people living with severe diseases have the best individual experience while promoting access to value-driven care, meaning high-quality, affordable care. Patients can experience frustration when they face access barriers, but through our work with advocacy organizations such as the [National Psoriasis Foundation](#) and the [Global Health Living Foundation](#), we are focused on changing the status quo to help people living with severe diseases live the best life they can – as they define it.

“At UCB, we’re inspired by patients and driven by science. Our approach to value-based care is driven by achieving sustainability, affordability, and access.”

Matt Harutunian,
Head of U.S. Advocacy

Health Equity

Population Health

At UCB, we are committed to taking action to bridge gaps and facilitate equitable care. For UCB, our connection with the people we serve goes beyond medicines. Our commitment spans from [diversity and inclusion in clinical trials](#) to using data-driven approaches and collaborating with our partners. Solving a problem as systemic as racial disparities in healthcare will require an earnest commitment from all stakeholders.

Population health is an important aspect of understanding the needs of people living with severe diseases. Our [population health](#) teams work with a wide range of stakeholders – healthcare professionals, integrated delivery networks, academics, patients and caregivers, and more – to help address challenges facing groups of individuals and their health outcomes. UCB has prioritized [creating resources](#) across therapeutic areas to improve population health – especially for those from historically underserved communities.



“Advancing health equity requires a cross-system approach that promotes demolishing barriers, transforming health systems, and addressing poor drivers of health. UCB is committed to working with stakeholders to co-create solutions addressing health inequity through population health initiatives.”

Nicole Williams,
Portfolio Innovation Partner, U.S. Immunology

“We are focused on not only the patient component, but also the people and community component, and that includes families and caregivers. We seek to gain a deep understanding of the experiences of those impacted by these diseases and work with them to create value by providing better and differentiated solutions and services as they navigate their care.”

Judith Thompson,
Population Health Strategy Lead, Rare Diseases

Health System and Societal Value

Building a Sustainable, Value-Driven System Together

The U.S. health system is highly complex, and achieving broad, systemic change is hard. The price controls provisions in the Inflation Reduction Act are an example of how policy can fall short: while intending to improve medicine affordability for patients, these price controls do not ensure lower out-of-pocket costs for people where they feel the most impact – at the pharmacy counter.

To build the sustainable health system of the future, we need solutions that span the system and stakeholders. UCB is helping to drive that kind of change through transparency on current access and affordability challenges to facilitate critical conversations to move our healthcare system forward in ways that serve people living with severe diseases better.

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 can access and afford the next generation of transformative medicines.

We are encouraged by the redesign of the Medicare Part D cost-sharing structure contained in the Inflation Reduction Act, and hope that the changes will lower Medicare beneficiaries' out-of-pocket costs, and the option allowing patients to "smooth" large costs over the benefit year will **assist patients in affording their medicines**.

This change is the first step toward helping patients manage out-of-pocket costs and may improve access to necessary treatments. UCB is hopeful that additional changes are on the horizon:

- Oftentimes, medicines are valued by PBMs based on the discounts offered by manufacturers rather than the potential benefits a medicine provides. However, people may not feel the benefits of these 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**.
- People 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. Additionally, we want to ensure patient health plans provide formulary access to innovative, specialty medicines. We have come so far – developing treatments that have **transformed the standard of care** for patients with rare conditions and diseases. However, excluding specialty medicines from covered benefits can be detrimental to patients.

“If we’re going to achieve a true value-based healthcare system, we are going to have to do that by starting with the patient and putting the patient at the center of everything we do.”

Leah M. Howard, J.D.
President and CEO of the National Psoriasis Foundation

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 person's health or the person 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 person.

Supporting Patient-Centered Value Assessments

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 promote sustainable value and equitable access to healthcare, beginning in the drug development stages.

UCB recognizes the importance of value-assessment frameworks and developed a broad set of [Principles for Value Assessment](#) to ensure these frameworks support sustainable value and equitable access to healthcare.





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

ucb-usa.com